

Standards and Trade
Development Facility

Annual Report 2012



STANDARDS AND TRADE DEVELOPMENT FACILITY

ANNUAL REPORT 2012

A global partnership of the Food and Agriculture Organization, the World Organisation for Animal Health, the World Bank, the World Health Organization and the World Trade Organization

TABLE OF CONTENTS

1 INTRODUCTION	1
2 ENHANCED COLLABORATION ON SPS-RELATED TECHNICAL CO-OPERATION	1
2.1 International Trade and Invasive Alien Species	1
2.2 Application of the MCDA Framework	2
2.3 SPS Coordination and Capacity Building in Africa	3
2.4 International Trade and Domestic Food Safety	3
2.5 SPS and Trade Facilitation	3
2.6 Information dissemination	4
2.6.1 STDF Working Group	4
2.6.2 STDF website	5
2.6.3 STDF Virtual Library	5
2.6.4 Electronic distribution of STDF news	6
2.6.5 Collaboration with the Enhanced Integrated Framework.....	6
2.6.6 Engagement with other organizations and initiatives	7
2.7 Conclusion on enhanced collaboration in SPS-related technical cooperation	9
3 IMPROVED CAPACITY OF BENEFICIARIES TO IDENTIFY AND PRIORITIZE SPS NEEDS AND FORMULATE PROJECT PROPOSALS THAT ARE ABLE TO SECURE FUNDING FROM STDF OR EXTERNAL FUNDING SOURCES.....	11
3.1 Formulation, review and implementation of Project Preparation Grants	11
3.2 Formulation and review of project applications.....	12
3.3 Conclusion on improved capacity of beneficiaries to identify and prioritize SPS needs and formulate project proposals that are able to secure funding from STDF or external funding sources	13
4 IMPROVED CAPACITY OF BENEFICIARIES OF STDF-FUNDED PROJECTS TO ANALYSE AND IMPLEMENT INTERNATIONAL SPS REQUIREMENTS	14
4.1 Implementation of project grants.....	14
4.2 Projects completed in 2012	14
4.3 Evaluations of projects	16
4.4 Conclusion on improved capacity of beneficiaries of STDF-funded projects to analyse and implement international SPS requirements	17
5 OPERATION OF THE FACILITY	17

ACRONYMS

AUC	African Union Commission
AU/IAPSC	African Union/Inter-African Phytosanitary Council
AU/IBAR	African Union/Inter-African Bureau for Animal Resources
CABI	Centre for Agricultural Bioscience International
CIDT	Centre for International Development and Training
COLEACP	Comité de Liaison Europe-Afrique-Caraïbes-Pacifique
COMESA	Common Market for Eastern and Southern Africa
CPM	Commission on Phytosanitary Measures
DTIS	Diagnostic Trade Integration Study
ECOWAS	Economic Community of Western African States
EIF	Enhanced Integrated Framework
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
IAS	Invasive Alien Species
IDB	Inter-American Development Bank
IICA	Inter-American Institute for Cooperation on Agriculture
IPPC	International Plant Protection Convention
ITC	International Trade Centre
LDCs	Least Developed Countries
MCDA	Multi Criteria Decision Analysis
OIE	World Organisation for Animal Health
OLICs	Other Low Income Countries
PAN-SPSO	Participation of African Nations in Sanitary and Phytosanitary Standard-setting Organizations
PPGs	Project Preparation Grants
PPPs	Public-Private Partnerships
RECs	Regional Economic Communities
SADC	Southern African Development Community
SPS	Sanitary and Phytosanitary
STDF	Standards and Trade Development Facility
UNIDO	United Nations Industrial Development Organization
UNOPS	United Nations Office for Project Services
USDA	United States Department for Agriculture
WHO	World Health Organization
WTO	World Trade Organization

EXECUTIVE SUMMARY

1.1. The Standards and Trade Development Facility (STDF) is a global partnership that supports developing countries in building capacity to implement international sanitary and phytosanitary (SPS) standards, guidelines and recommendations as a means to improve their human, animal and plant health status and ability to gain and maintain access to markets. This report provides an overview of STDF's activities and outputs in 2012 within the broader context of STDF's strategic result areas as outlined in its medium-term strategy (2012-2016): (i) enhanced collaboration on SPS-related technical co-operation; (ii) improved capacity of beneficiaries to identify and prioritize SPS needs and formulate project proposals that are able to secure funding from STDF or external funding sources; and (iii) improved performance of beneficiaries of STDF funded projects. The overall goal of the STDF is to support sustainable economic growth, poverty reduction, food security and environmental protection through improved SPS capacity.

1.2. The STDF organized a successful seminar on International Trade and Invasive Alien Species (IAS), which considered the mutually supportive objectives of the WTO SPS Agreement and the Convention on Biological Diversity (CBD). Participants viewed that IAS are one of the greatest challenges related to human, animal and plant health and biodiversity and agreed on the importance of raising public and political awareness on this issue. They also agreed on the contribution of effective SPS control systems to help protect against the entry, establishment and spread of harmful species, including pests, diseases and other IAS. The main findings and conclusions of the seminar were captured in a two-page STDF briefing note, which was widely disseminated. A background study was prepared for publication in 2013. The study will: (i) provide a common understanding of the concepts and principles used in the CBD and the SPS Agreement and related instruments with regard to IAS in the context of international trade; and (ii) review initiatives designed to build national and/or regional capacities for managing the entry and spread of IAS, including pests and diseases, and discuss common challenges and good practices.

1.3. The STDF continued its work on the use of Multi Criteria Decision Analysis (MCDA) to prioritize SPS capacity building options. The MCDA framework was applied in Vietnam and a successful regional MCDA training workshop was organized in Bangkok, Thailand. This work in Asia was particularly useful in terms of: (i) learning from experiences of using MCDA in a country with a different SPS context, level of development and decision-making environment; (ii) supplementing and enriching the MCDA toolkit and associated training materials; and (iii) increasing awareness about the MCDA approach, and how to apply it, among SPS stakeholders in a new region. Building on the STDF-facilitated MCDA work in Africa in 2011, Ethiopia, Malawi, Rwanda and Uganda started applying the tool in 2012, in collaboration with and support from the Common Market for Eastern and Southern Africa (COMESA) and the United States Department for Agriculture (USDA). The MCDA framework was also used by the Belize Agricultural Health Authority (BAHA), in collaboration with public and private sector stakeholders, under an STDF project. The MCDA work was considered very successful and highly appreciated by BAHA, which intends to re-apply the tool periodically in the future. Throughout the year, the Secretariat maintained close contact with key stakeholders involved in MCDA work in order to learn from and share experiences and lessons, wherever possible.

1.4. Preparatory work was initiated on the interface between SPS and trade facilitation to lay the foundations for regional research and analysis on this topic in 2013. The STDF Working Group considered that this work should review and analyse the implementation of SPS measures, procedures and processes in the context of trade facilitation, defined as the simplification, harmonisation, standardisation and modernisation of trade procedures. The purpose will be to identify experiences and good practices to improve the implementation of SPS controls in a way that ensures the appropriate level of health protection, while minimizing trade transaction costs. In addition, a preliminary background note was prepared to define the scope of planned research, in close collaboration with the Food and Agriculture Organization (FAO) and the World Health Organization (WHO), to identify spill-over effects of export-oriented SPS technical co-operation projects and programmes on domestic food safety. The objective will be to draw key lessons to improve the design and delivery of future SPS-related technical cooperation programmes.

1.5. In line with STDF's new strategy, various efforts were undertaken to further strengthen the STDF as a knowledge platform for information exchange, sharing experiences and the identification and dissemination of good practice, including in Working Group meetings. The Secretariat also

participated in a number of other events to share information and experiences and foster collaboration and coherence in the development and implementation of SPS-related technical cooperation. The STDF reported on its operations to the WTO SPS Committee in Geneva, the 7th Session of the Commission on Phytosanitary Measures (CPM) in Rome, the 80th OIE General Session in Paris and the 35rd Session of the Codex Alimentarius Commission in Rome. Good collaboration was pursued with the Enhanced Integrated Framework (EIF) in the preparation of Diagnostic Trade Integration Studies (DTIS) and project development. The Secretariat also explored and identified additional options to achieve further efficiency gains in its operations and to maximize impact. Two electronic newsletters were issued and work on the STDF Virtual Library, providing access to SPS project reports and evaluations, capacity assessments, training materials, research papers, articles, etc. was completed.

1.6. The STDF was successful in enhancing and promoting collaboration in SPS-related technical cooperation. Reportedly, members and other organizations involved in SPS capacity building initiated various collaboration efforts (i.e. joint activities or events, projects, information sharing, etc.) as a result of the STDF. Moreover, several SPS-related initiatives applied and used STDF information products (tools, guidelines, briefing notes, etc.) for planning or implementation of activities, training, awareness raising, etc. Overall, Working Group participants and beneficiaries are positive about the Facility and its work and highly value its coordination role. However, to further improve current levels and use the STDF forum more effectively, more contribution and improvement is needed on the part of partners, donors and other players in the area of SPS-related technical co-operation, for instance in terms of information-sharing and submission of relevant documents for inclusion in the Virtual Library.

1.7. Throughout the year, a wide variety of proposals and ideas for projects were received and discussed with potential beneficiaries, ranging from one-page concept notes to fully-fledged project documents. Officially, 22 applications for project preparation grants (PPGs) and 24 project applications were received. The STDF Working Group accepted three PPGs and approved eight projects for funding. The total STDF contribution to these projects amounted to US\$5,086,550, which is notably higher than originally planned (i.e. US\$2.4 million). All projects were collaborative, innovative and/or regional in nature. The demand on the Secretariat in terms of providing advice to beneficiaries on project development issues and reviewing applications for consideration by the Working Group remained very high. Yet, beneficiaries are satisfied with STDF's contribution to improvements in their capacity to identify and prioritize SPS needs and formulate project proposals. Members should continue to promote the usefulness and benefits of PPGs (including the application of SPS capacity evaluation tools and/or the conduct of feasibility studies). More and re-current PPG applications could be expected if bilateral donors would be able to increasingly (co-)fund resultant projects.

1.8. Five projects were completed and achieved good immediate results. The STDF continued to meet its target to dedicate at least 40% of its project resources to least-developed countries (LDCs) and other low income countries (OLICs). Monitoring project implementation, however, remained challenging and resource-intensive. For some future projects, notably in LDCs and OLICs, STDF backstopping missions, for instance at the start and the end of the project would be beneficial and opportune. Finally, preliminary work was started on developing fact sheets that describe the background and objective, results and lessons learned for selected STDF-funded projects. Over time, thought should be given to summarizing the results and lessons learned across a wider spectrum of STDF-funded projects as part of efforts to better capture the impact of STDF's project funding component.

1 INTRODUCTION

1.1. The STDF supports developing countries in building their capacity to implement international SPS standards, guidelines and recommendations as a means to improve their human, animal and plant health status and ability to gain or maintain access to markets. By improving the SPS capacity in developing countries the STDF aims to contribute to sustainable economic growth, poverty reduction, food security and environmental protection. To this effect, and in accordance with its medium-term strategy (2012-2106)¹, the STDF pursues the following three strategic results in a coordinated and mutually reinforcing manner:

- (a) Enhanced collaboration on SPS-related technical co-operation;
- (b) Improved capacity of beneficiaries to identify and prioritize SPS needs and formulate project proposals that are able to secure funding from STDF or external funding sources;
- (c) Improved performance of beneficiaries of STDF funded projects.

1.2. This report provides an overview of STDF's activities and outputs in 2012 as outlined in its annual Work Plan.² It also includes information on the extent to which these activities contributed to achieving the aforementioned strategic results.³ The report is structured as follows. Chapter 1 is the introduction. Chapters 2 to 4 report on the implementation of activities under each of the three strategic result areas, followed by a conclusion. Chapter 5 provides information on funding and staffing levels. The annexes include an overview of STDF's operating budget in 2012.

2 ENHANCED COLLABORATION ON SPS-RELATED TECHNICAL CO-OPERATION

2.1 International Trade and Invasive Alien Species

2.1. On 12-13 July 2012, the STDF organized a seminar on International Trade and Invasive Alien Species (IAS) in Geneva. The seminar, attended by 110 participants from the SPS and biodiversity "communities" offered a unique opportunity to consider the mutually supportive objectives of the WTO SPS Agreement and the Convention on Biological Diversity (CBD). Over 30 speakers and discussants from both developed and developing countries shared experiences and lessons learned on national and regional initiatives to control the entry, establishment and spread of IAS. Of the participants who responded to the post-seminar evaluation, 87% rated the seminar as "very useful". Another 12% of the participants rated the event as "useful".⁴

2.2. Participants considered that IAS are one of the greatest challenges related to human, animal and plant health and biodiversity and agreed on the importance of raising public and political awareness on this issue. Many participants highlighted the contribution of effective SPS control systems to help protect against the entry of harmful species, including pests, diseases and other IAS. The main findings and conclusions of the seminar were captured in a two-page STDF briefing note, which was posted on the STDF website and widely distributed including to the WTO SPS Committee and the Conference of the Parties to the CBD in October 2012.

2.3. Prior to the seminar, a background study was prepared to provide participants with a common understanding of the concepts and principles used in the CBD and the SPS Agreement and related instruments with regard to IAS in the context of international trade. The study was further revised based on the discussions and findings and results of the seminar in the second half of 2012.⁵ The study reviews initiatives designed to build national and/or regional capacities for managing the entry and spread of IAS, including pests and diseases, and discusses common challenges and good practices. The overall objective is to promote increased collaboration between the SPS and the CBD "communities" at both the regional and national levels, notably in developing countries where resources are often limited.

¹ As adopted by the STDF Policy Committee on 10 January 2012 (document STDF 367).

² See document STDF 368.

³ To this end, a short survey among beneficiaries and development partners was conducted in December.

⁴ These figures significantly exceeded the 70% target in the 2012 logframe.

⁵ The study will be published in the first half of 2013.

2.2 Application of the MCDA Framework

2.4. Building on work carried out in 2011 in Africa, the STDF initiated work to use the Multi Criteria Decision Analysis (MCDA) framework to prioritize SPS capacity building needs in Vietnam and organized a regional MCDA training workshop in Bangkok from 12-13 November. The purpose of the work in Asia was to: (i) learn from the experience of using the MCDA framework in a country with a different SPS context, level of development and decision-making environment; (ii) supplement and enrich the MCDA toolkit and associated training materials; and (iii) increase awareness about the MCDA approach, and how to apply it, among SPS stakeholders in a new region.

2.5. The MCDA work in Vietnam, initiated following an expression of interest from the SPS Office in the Ministry of Agriculture and Rural Development (MARD), involves a small team of experts from the SPS Office and technical departments responsible for food safety, plant health, animal health, trade, etc. Following consultations with public and private sector stakeholders in Hanoi and Ho Chi Minh City (September 2012), the local team is collecting data to feed into the analysis, which will be completed in 2013. Since national experts are taking the lead on this work, it is taking a little more time than previous applications; however, it is also strengthening local capacity.

2.6. The Bangkok workshop was attended by 41 SPS officials from government authorities and regional organizations in the Asia & Pacific Region. The workshop was highly rated by participants⁶ who agreed that the MCDA framework: (i) presents a useful and powerful tool to guide and support SPS decision-making; (ii) is likely to work best in countries where there is already dialogue and coordination among public and private stakeholders involved in SPS matters; and (iii) provides a useful snapshot of the potential trade impacts directly associated with investments in the SPS capacity building options considered. In follow-up, some of the participants (including from the Kyrgyz Republic, Indonesia, The Philippines and the Secretariat of the Pacific Community) indicated their interest to use the MCDA framework in their countries/regions, and taken some preparatory steps to discuss next steps with concerned stakeholders. The STDF Secretariat is providing advice on possible options to proceed. Since the regional workshop took place near the end of 2012, it is too early to indicate with confidence that two countries have initiated application of the MCDA framework (the target identified in the logframe) following the regional workshop. This will be further assessed in 2013.

2.7. Building on the STDF-facilitated MCDA work in Africa in 2011, governments in some African countries (Ethiopia, Malawi⁷, Rwanda and Uganda) started work in 2012, in collaboration with COMESA⁸ and/or USDA/USAID, to use the MCDA framework to prioritize SPS capacity building options. The MCDA framework was also used by the Belize Agricultural Health Authority (BAHA), in collaboration with public and private sector stakeholders, under an STDF project from May to September 2012 (see section 4.2 below). The MCDA work in Belize was considered very successful and highly appreciated by BAHA, which intends to re-apply the tool periodically in the future and also to use it to develop a new strategic plan for BAHA. Other government agencies in Belize have indicated that they intend to use the MCDA framework to prioritize their own programmes and activities.

2.8. The STDF Secretariat maintained close contact with key stakeholders involved in MCDA work in Africa, Belize and elsewhere in order to learn from and share experiences and lessons, wherever possible. Key lessons have related to: (i) the importance of good stakeholder representation; (ii) the importance of carefully assigning decision weights; (iii) synergies with SPS-related capacity evaluation tools (PCE, OIE-PVS, IICA PVS, etc.) and the utility and benefits of having first applied these evaluation tools to identify major capacity needs to be considered during the MCDA work; (iv) the usefulness of involving an applied agricultural trade economist in addition to experts in food safety, animal and plant health. The MCDA toolkit is being revised on an ongoing basis to take into account experiences and lessons from the in-country work. Based on the Working Group's recommendation in October 2012 to review and assess the MCDA work carried out to

⁶ 91% of participants (34 out of 37 respondents to the feedback survey) indicated that the workshop was useful or very useful for their work, significantly exceeding the 70% target in the STDF 2012 logframe.

⁷ The MCDA work in Malawi, facilitated by COMESA, resulted in an STDF PPG application, which was approved in October 2012.

⁸ The STDF developing country expert from Uganda and the COMESA expert who participated in the STDF regional workshop in Johannesburg (August 2011) played a key role in this work.

date, the MCDA toolkit will be finalized and published following a workshop with partners and other stakeholders in Geneva in June 2012. Information on the MCDA work was disseminated through the STDF website, as well as during a lunchtime event organized by Japan for Asia/Pacific WTO Members in March 2012.

2.3 SPS Coordination and Capacity Building in Africa

2.9. The African Union Commission (AUC) and the STDF jointly organized a meeting on 28 September 2012 in Addis Ababa, Ethiopia, to discuss issues related to regional SPS coordination and capacity building in Africa. The specific objective was to reflect and agree on how to implement the recommendations of the 2010 STDF study titled "Regional SPS Frameworks and Strategies in Africa" and other relevant meetings, notably in relation to the role and function of the AUC, its technical offices and the RECs in adding value to SPS coordination and capacity building initiatives. This one-day meeting was held on the margins of the WTO Regional SPS Workshop for English-speaking Africa (24-27 September 2012).

2.10. The STDF funded the participation of 16 SPS officials from AU-IAPSC, AU-IBAR, COMESA, ECOWAS, IGAD and SADC to participate in the joint AUC/STDF meeting as well as the WTO SPS training week to gain knowledge on the SPS Agreement and add a regional perspective to the seminar. Representatives from the three sisters (Codex, IPPC, and OIE) as well as the FAO, CABI and the WTO also participated in the joint AUC/STDF meeting. Participants in the one-day event were not separately surveyed but 86% of the participants in the WTO SPS training expressed a high level of satisfaction with this activity.

2.11. Participants from the AU and the RECs agreed that the AUC would draft preliminary terms of reference for a continental SPS working group and distribute them to key stakeholders for consultation and approval. The main task of this group would be to mainstream SPS issues into CAADP implementation and into other initiatives related to agriculture development, trade capacity building, environmental protection, etc. A meeting report, jointly prepared by the AUC and the STDF, was circulated to participants. Development of a specific STDF briefing note for this activity was not considered opportune at this stage. The STDF will continue to offer advice and support to the process and assist the AUC in any further efforts.

2.4 International Trade and Domestic Food Safety

2.12. Most technical assistance programmes aiming at enhancing access of agri-food products from developing countries to high-end markets through building SPS capacity identify secondary domestic benefits such as improving environmental conditions, improving occupational health and safety and improving domestic food safety situations. Documented evidence of these positive impacts, however, is scarce. Similarly, some people argue that the focus on export promotion leads to a segmentation of the market, with high quality products being exported and low quality products being consumed on local markets. Such two-tier systems are allegedly compounded by increased attention of SPS public institutions towards the control of export products to the detriment of local products.

2.13. In this context, the STDF in close collaboration with FAO and WHO prepared a background note outlining the concept for a study to identify spill-over effects of export-oriented SPS technical cooperation on domestic food safety. The study would aim to draw key lessons to improve the design and delivery of future SPS-related technical cooperation programmes. This work would be primarily based on a review of selected programmes (including relevant STDF projects), desk-top research, questionnaires and direct interviews the background note was discussed and endorsed by the Working Group in October 2012. This work will commence in 2013.

2.5 SPS and Trade Facilitation

2.14. The growing spotlight on trade facilitation is focusing additional attention on SPS measures, how they are applied to imports, exports and transit goods, and the extent to which, if any, these measures unnecessarily increase the cost (including time) of doing business. Trade transactions costs are estimated to be generally higher for agricultural and food products, fish, forest and wood products linked to additional procedures related to SPS controls (OECD, 2003). While the implementation of SPS measures for imports, exports and goods in transit, both at the border and behind the border, may understandably result in some trade transaction costs, which are justified

by the need to ensure health protection, the SPS Agreement requires that they should not be higher than necessary.

2.15. In this context, the STDF initiated preparatory work on the interface between SPS and trade facilitation, building on collaboration with STDF partners and other organizations, to lay the foundations for regional research and analysis on this topic in 2013.⁹ This included background research on SPS and trade facilitation and a number of meetings with relevant external organizations and experts, as well as participation in some external meetings (see Table 3, below).

2.16. Based on discussions in the Working Group, the work in 2013 will analyse the implementation of SPS measures in the context of trade facilitation, defined as the simplification, harmonisation, standardisation and modernisation of trade procedures (Grainger, 2008). This work will encompass regional research in selected countries and sub-regions in Africa, Latin America and Asia to review and analyse the implementation of SPS measures, procedures and processes in the context of trade facilitation. The purpose will be to identify experiences and good practices to improve the implementation of SPS controls in a way that ensures the appropriate level of health protection, while minimizing trade transaction costs.

2.6 Information dissemination

2.6.1 STDF Working Group

2.17. Two STDF Working Group meetings were organized in Geneva on 29-30 March and on 11-12 October 2012, respectively.¹⁰ Each meeting was attended by an average of 45 participants. The March meeting was chaired by Mr Hugo Cameron from the Permanent Mission of Canada, and the October meeting by Mr Lars Børresen from the Permanent Mission of Norway. Summary reports of the meetings were circulated for comments and final reports are available on the [STDF website](#).

2.18. Each meeting lasted two full days and saw active participation from partners, donors, developing country experts and other interested organizations observing the meetings. Input and oversight of STDF's activities, as well as project review, took up a significant portion of the meetings. The Secretariat facilitated various presentations on specific SPS-related programmes and topics of interest to the Working Group (see Table 1).

Table 1: Presentations made to the STDF Working Group in 2012

Working Group	Presenter/organization	Title
March	Ralf Lopian	Ex post evaluation of STDF project STDF/PG/145 (Rwanda Horticulture Export Standards Initiative, RHESI)
March	United States Food and Drug Administration (FDA) - Julie Moss	1) The APEC Food Safety Cooperation Forum (FSCF); and 2) The US Food Safety Modernization Act (FSMA), and more specifically Section 305 (FDA's obligation to develop a capacity building plan)
October	Europe-Africa-Caribbean-Pacific Liaison Committee (COLEACP) - Morag Webb	Implementation of the PIP, EDES and PAEPARD programmes
October	Australian Government Department of Agriculture,	An overview of Australia's SPS-related capacity building assistance

⁹ Background notes outlining the intended purpose, scope and implementation of this work were presented to the Working Group in March and October. In October, the Working Group decided not to pursue the organization of a global event on SPS and trade facilitation at this stage.

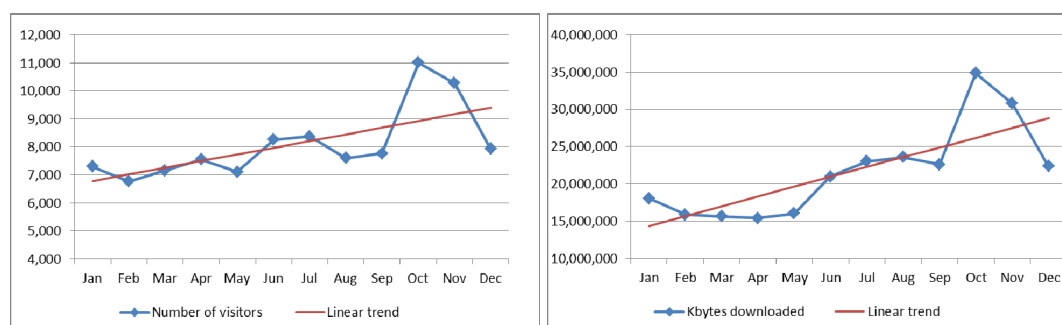
¹⁰ The meeting in March was organized back-to-back with the WTO SPS Committee meeting. The October meeting was organized in the preceding week, as there were too many other activities in the SPS Committee week. After the October meeting, several Working Group participants indicated their preference to organize future meetings at the start or end of the SPS Committee week.

	Fisheries and Forestry - Bill Matthews	
October	International Plant Protection Convention (IPPC) Secretariat - Ana Peralta	The new IPPC Phytosanitary Technical Resources webpage (http://www.phytosanitary.info)
October	World Bank office in Geneva -Mombert Hoppe	1) Streamlining Non-Tariff Measures: A Toolkit for Policy Makers 2) Short film and report "An Africa That Can Feed Africa (World Bank Poverty Reduction and Economic Management Department)

2.6.2 STDF website

2.19. The STDF website was kept up-to-date in all three WTO languages and continued to be well-visited. The number of visitors to the website had a linear trend growth rate of 38.6% from January to December 2012, corresponding to 3.0% per month (see figure 1). In addition, the number of Kbytes downloaded from the website had a linear trend growth rate of 101.0% from January to December 2012, corresponding to 6.6% per month (see figure 2). Finally, comparing the data of 2012 with the one of 2011, we can see a growth of 63% in the number of visitors, 62% in the number of visits per year, 74% in hits to the website and 47% in Kbytes downloaded.

Figure 1: Number of visitors per month Figure 2: Kbytes downloaded per month



2.20. Maintaining the website continued to be time-consuming. Throughout the year, the Secretariat identified several outstanding issues that required urgent maintenance and follow-up. Internal discussions were held with staff from WTO's Information Technology Division to explore possibilities to re-design the website using an open source content management system (to be further pursued in 2013).

2.6.3 STDF Virtual Library

2.21. The STDF Virtual Library project was completed.¹¹ The development of the system, using SharePoint technology, took place from February to July 2012. Testing and final adjustments were performed in August and September and the application was made available to the public in October 2012. The library allows the Secretariat to better manage a large amount of documentation and further facilitates STDF's role as a knowledge platform for exchanging information and disseminating good practices. The library will enhance access to SPS-related capacity building documentation (including project reports and evaluations, capacity assessments, training materials, research papers, articles, etc.) for international/regional organizations, beneficiaries, donors, researchers and consultants, etc. At the end of the year, the library comprised around 800 publicly available SPS-related documents.

¹¹ See <http://www.stdfvirtuallibrary.org>.

2.6.4 Electronic distribution of STDF news

2.22. The Secretariat considered different email marketing services and decided to purchase "MailChimp" to design and distribute email newsletters.¹² The first e-newsletter was prepared and circulated in July to 660 subscribers. The second newsletter was circulated in November to 864 subscribers.¹³ At the end of 2012, 920 people had subscribed to the new service. The new tool also allowed the Secretariat to undertake further analysis on the geographical distribution of the subscribers as well as open and click rates.

2.23. According to IP addresses, the STDF mailing list has subscribers from 128 different countries and scores high in comparison to average mailing list from non-profit organizations in terms of unique open rates and unique click rates. On average, STDF newsletters have an open rate of 39% versus the industry average of 22%, and have a unique click rate of 10% versus the industry average of 3%. This means that 39% of total recipients on average opened the actual email and 10% of recipients, clicked on one of the multiple links. These figures are estimates and are not 100% accurate.

2.6.5 Collaboration with the Enhanced Integrated Framework

2.24. Collaboration with the Enhanced Integrated Framework (EIF) in the preparation, validation and update of Diagnostic Trade Integration Studies (DTIS) ("Tier 1") and project development ("Tier 2") is important to STDF's coordination role and the achievement of STDF's target to devote at least 40% of project grant resources to LDCs and other Low Income Countries (OLICs). Table 2 below provides an overview of draft DTIS documents reviewed by the Secretariat. Comments on their SPS-related chapters were forwarded (via the WTO as EIF partner) to the EIF Secretariat:

Table 2: STDF comments on DTIS documents in 2012

Month	Country	Document
January	Bhutan	DTIS report
May	Uganda	DTIS update concept note
June	Afghanistan	DTIS report
June	Burundi	DTIS update report
June	Lesotho	DTIS update report
August	The Gambia	DTIS concept note
September	Haiti	DTIS concept note
November	São Tomé and Príncipe	DTIS update report

2.25. The Secretariat also provided comments on the following SPS-related Tier II project proposals:

- Liberia: Strengthening SPS measures in Liberia (March, in consultation with FAO)
- Burundi: Strengthening commercial capacity to conform with SPS measures (May, in consultation with IPPC)
- Burkina Faso: reinforcing capacity in the sesame value chain (May)

¹² Following a short survey among recipients in November 2011

¹³ For subscriptions to the STDF mailing list, see: <http://www.standardsfacility.org/en/ContactUs.htm>. The newsletters can also be viewed at <http://www.standardsfacility.org/en/IRNewsletters.htm>.

- Cambodia: Export diversification and expansion in the cassava and marine fishery product sectors ("CEDEP II") (October)

2.26. In May 2012, the EIF Board approved a Tier II project in Nepal for co-funding with the STDF¹⁴. The overall goal of this project is to contribute to increased income of ginger farmers through improvements in SPS arrangements and value addition for export to India and other countries. More specifically, the project will aim to facilitate better market opportunities for Nepalese ginger through a series of SPS related and value-addition interventions. 2012. The STDF also helped to facilitate the preparation and signing of a Memorandum of Understanding between the EIF Trust Fund Manager (UNOPS) and the implementing agency (FAO). The STDF participated in the project's inception workshop in Kathmandu from 27 October to 2 November.

2.27. The EIF organized one training workshop on project identification, formulation and design in Dakar, Senegal, from 6-9 November, with the assistance of the Centre for International Development and Training (CIDT) of the University of Wolverhampton. The STDF participated in this workshop since the country had identified SPS needs as a priority issue. Several SPS-related project proposals were prepared using "logical frameworks". According to the responses to an evaluation questionnaire circulated on the last day of the workshop, 90% of the participants were satisfied with the training.¹⁵ The workshop approach (active, practical and hands-on), the trainer (pedagogy, mastery of the topic, availability/ approachability, facilitation skills) and the intense involvement of all resource persons (fully active in facilitating and contributing expertise to each assigned project group) were well received.

2.28. The handbook and practical guide on Trade-related Project Identification, Formulation and Design, developed by the CIDT for the EIF, in collaboration with the STDF, was finalized and inserted on the STDF website.

2.6.6 Engagement with other organizations and initiatives

2.29. The STDF reported on its operations to the WTO SPS Committee in March, July and October. Reference was made to the STDF in the Committee's annual report. In March, on the margins of the SPS Committee meeting, the Japanese Government hosted an information session on the STDF for WTO Members and acceding members from Asia and the Pacific. In October, the STDF reported on its work to the WTO Sub-Committee on Least-Developed Countries.

2.30. The STDF participated in three WTO regional training seminars on the SPS Agreement for: (i) Latin American countries (25-30 June, Santiago); (ii) English-speaking African countries (24-27 September, Addis Ababa); and (iii) Central and Eastern Europe, Central Asia and the Caucasus (24-27 November, Vienna). On the margins of the seminar in Addis Ababa, the joint AUC/STDF meeting on "Regional SPS Coordination and Capacity Building in Africa" was organized (see section 2.3 above). On the margins of the seminar in Vienna, the STDF held a meeting with UNIDO staff on 26 November to discuss opportunities for further collaboration. The STDF also provided training to participants in the WTO Advanced Courses on SPS, Agriculture and Trade Policy.

2.31. The STDF reported on its operations to the 7th Session of the Commission on Phytosanitary Measures (CPM) in Rome (19-23 March) and organized a well-attended side event on 20 March to present its new strategy and work programme. The STDF also reported to the 80th OIE General Session in Paris (20-25 May) and the 35rd Session of the Codex Alimentarius Commission in Rome (2-7 July).

2.32. The STDF participated actively in the third meeting of the Expert Working Group on Phytosanitary Capacity Building in Cairns, Australia (21-25 May), as well as the first meeting of the IPPC Capacity Development Committee (CDC) in Rome (3-7 December). The STDF attended the third meeting of the Inter-agency Liaison Group on Invasive Alien Species in Geneva on 13 July 2012 (following the STDF seminar on International Trade and IAS, see section 2.1 above).

¹⁴ The STDF Working Group had approved the STDF component of this project (focused on SPS capacity building and regulatory activities) for funding in June 2011 - subject to confirmation of funds from the EIF for the project's infrastructure component (STDF/PG/359).

¹⁵ This figure significantly exceeds the 70% target in the 2012 logframe.

2.33. The STDF also participated in several other selected external events to share information, disseminate experiences and foster collaboration and coherence in the development and implementation of SPS-related technical cooperation (see table 3 below)¹⁶. Where possible and appropriate additional meetings were organized on the margins of these events, for instance to meet with donors and other relevant organizations.

Table 3: Overview of events in which STDF participated

Date	Organization	Subject	Place
31 January	Centre for Agricultural Bioscience International (CABI)	Presentation on the STDF to CABI staff involved in SPS issues	Wallingford, UK
2 February	Centre for the Promotion of Imports from developing countries (CBI)	Presentation on the STDF to CBI staff working on SPS issues	The Hague
8 May	Comité de Liaison Europe-Afrique-Caraïbes-Pacifique (COLEACP)	Meeting to exchange information and discuss collaboration opportunities	Brussels
17-18 May	Inter-American Development Bank (IDB) / International Food & Agricultural Trade Policy Council (IPC)	Seminar on Food Security and Trade (presentation of joint STDF/IDB publication on Public-Private Partnerships to enhance SPS capacity)	Washington D.C.
11 June	Integrating Food Safety with Animal and Plant Health (SSAFE)	Board meeting – presentation on STDF activities	Vevey, Switzerland
11-12 June	World Bank	Consultative meeting on the proposed establishment of a Global Food Safety Partnership (GFSP).	Washington D.C
25-26 July	Asian Development Bank (ADB)	Workshop on SPS Measures under the Central Asia Regional Economic Cooperation (CAREC) Program	Bangkok
24-27 July	Southern African Development Community (SADC)	Second Meeting of the SADC SPS Coordinating Committee	Centurion, South Africa
20 22 August	Common Market of Eastern and Southern Africa (COMESA)	Fourth Technical Meeting of the Regional SPS Sub-Committee for COMESA the, Malawi 2012	Lilongwe
28 September	WHO	Consultative meeting with relevant international organizations on the GFSP	Geneva

¹⁶ Decisions to participate in external events were made in accordance with the criteria outlined in paragraph 17 of the STDF Operational Rules.

7 November	World Customs Organization (WCO)	Presentation on planned STDF work on SPS and trade facilitation	Brussels
13-15 November	African Development Bank (AfDB)/WTO	Symposium on WTO Trade Facilitation for African countries	Nairobi
27-30 November	AU-IBAR	Training-of-trainers workshop for French speaking African countries on improving their participation in the SPS Committee and international standard-setting bodies	Dakar
10-12 December	World Bank	Launch of the GFSP and first GFSP Conference	Paris

2.7 Conclusion on enhanced collaboration in SPS-related technical cooperation

2.34. Various efforts were undertaken to further strengthen the STDF as a knowledge platform for information exchange, sharing experiences and the identification and dissemination of good practice, in line with STDF's new strategy. All STDF meetings and events were very successful and highly rated by participants. The STDF interacted and strengthened relationships with several selected organizations and initiatives at the global and regional level to promote increased coordination and coherence in the development and implementation of SPS projects and programmes. The Secretariat actively explored and identified options to achieve further efficiency gains in its operations and maximize impact. Discussions were held on re-designing the website using an open source content management system (to be pursued in 2013). The STDF also purchased various simple-to-use and non-expensive on-line information management tools.¹⁷

2.35. The Working Group is the main mechanism for partners, donors, developing country experts and other observer organizations to meet and share information and experiences on SPS-related technical cooperation. Two two-day Working Group meetings were held, as opposed to three one-day meetings in previous years. The immediate effect of this change was more time available for the Secretariat to implement the 2012 Work Plan. Overall, meeting costs (notably related to the participation of STDF's six developing country experts) were kept at acceptable levels. The total number of meeting days increased (from three to four), which allowed members more time for targeted discussions on specific topics. In light of these advantages, the Working Group decided to continue organizing two meetings in 2013.

2.36. The STDF strategy includes a minimum target of two joint activities initiated among Working Group members and observer organizations to measure whether the STDF is successful in enhancing collaboration in SPS-related technical cooperation. The survey carried out in December indicated that in 2012 over 90% of Working Group participants were involved in collaboration (i.e. joint activities or events, projects, information exchange) as a result of the STDF, including STDF meetings. The examples provided by participants, however, refer in particular to their involvement in STDF events, activities and/or projects. More interestingly, some references were made to joint collaboration efforts outside the STDF, for instance the IDB/IPPC/IICA Pest Risk Analysis Programme and the IDB/USDA Regional Program on Pesticide Maximum Residue Limits (MRLs). Some other responses to the survey hinted at new activities, for instance focused on information sharing, without becoming specific.

2.37. Another indicator to measure the Facility's progress relates to the number of SPS-related initiatives that apply STDF tools, guidelines or briefing notes. In 2012, 82% of the Working Group participants, and over 55% of PPG and project beneficiaries, distributed and/or used STDF information products (for planning or implementation of activities, training, awareness raising, etc.), at a minimum of 90 events. This is a good result, notably compared to the target level of five initiatives per year in STDF's medium-term strategy. A third indicator aims to measure the

¹⁷ These include "SurveyMonkey" (to conduct surveys and analyse responses), "Wufoo" (to build and process online registration forms) and "MailChimp" (to design and distribute email newsletters). The total annual fee for these tools is approximately US\$1,500.

level of satisfaction among Working Group participants with the effectiveness of collaboration and application of good practice in SPS-related co-operation in general. Over 85% of Working Group participants (or 21 responses) rated the effectiveness and application of good practice (on a scale from 0 to 5) as sufficient or good (i.e. scale 3 and 4), while 12% (or three responses) rated this as less than sufficient (i.e. scale 2). Some respondents, however, indicated that they understood this question in the context of rating the effectiveness and application of good practice within the STDF framework. Hence, this question may have to be formulated differently in future surveys.

2.38. The general picture emerging from the survey is that Working Group participants and STDF beneficiaries are positive about the Facility and its work and highly value its coordination role. Also the input provided by STDF's six developing country experts is highly appreciated. However, to improve current levels and use the STDF forum more effectively, more collaboration and improvement is needed on the part of partners, donors and other players in the area of SPS-related technical cooperation. For instance, partners and donors could share much more information with the Secretariat on past, present and - notably - planned SPS-related technical cooperation. They should also start submitting relevant documents (e.g. final project reports, project evaluations, capacity assessments, training materials, research papers, articles, etc.) for inclusion in STDF's Virtual Library.

2.39. Some examples of constructive comments provided by survey respondents on the performance of the STDF are provided below.

Quotes from survey

"The STDF is making an invaluable contribution to the development and application of SPS measures in the American continent through its workshops, publications and especially through funding of projects..." "We have enormous respect for the work of the STDF and pledge our continued support to it."

"The STDF has pro-actively engaged African Regional Organizations and is consciously responding to their needs and priorities"

"Collaboration is extremely important for best results, but requires more commitment from STDF partners and donors to improve current levels"

"I am honoured and grateful to serve the STDF as a developing country expert. It has tremendously helped me in my current job..." "I highly value the work of developing country experts as it brings to the fore the experiences and knowledge of individuals who work on the ground in the developing countries and ensures that STDF work is relevant and fit for purpose"

"STDF's convening role is excellent. Coordination is harder as it assumes willingness to be coordinated, which is not always true. But the informal and formal information exchange and networking activities are very valuable..." "Related to this is the role that STDF plays in providing a global focal point for SPS issues. This raises the profile of SPS at national and international level which is an on-going need"

"The STDF has been able to finance and continue to support a number of activities and projects, despite its tight budget derived from donors. Suggest that more donors/countries be encouraged to participate, and donate more funds to support more programs..."

"STDF has been very useful in supporting developing countries gain capacity in addressing issues that affect trade. More work needs to be put in developing appropriate food control systems in African countries. This is currently the emerging issue in the trading environment..."

"...STDF has been very effective at providing a forum, but improvement is needed on the part of all donors and players in the area of SPS technical cooperation and effectively utilizing this forum."

"the time taken for the development of project documents because of lack of capacity in the developing countries has to be addressed by the STDF for more efficiency"

"il faut une plus grande publicité du STDF auprès des organisations paysannes"

3 IMPROVED CAPACITY OF BENEFICIARIES TO IDENTIFY AND PRIORITIZE SPS NEEDS AND FORMULATE PROJECT PROPOSALS THAT ARE ABLE TO SECURE FUNDING FROM STDF OR EXTERNAL FUNDING SOURCES

3.1. The STDF provides advice to beneficiaries on SPS-related project development including on, *inter alia*, the identification of SPS needs and priorities, public and private stakeholder participation, complementarity and reinforcement of development efforts undertaken by partners, donors and other relevant organizations, sustainability issues, etc. In 2012, a wide variety of proposals and ideas for projects were received and discussed with potential beneficiaries, ranging from one-page concept notes to fully-fledged project documents. In line with STDF's new strategy, continuous efforts were made to link STDF's "helpdesk" function with the conclusions, recommendations and lessons learned in other areas of STDF work.

3.1 Formulation, review and implementation of Project Preparation Grants

3.2. Project preparation grants (PPGs) are an important mechanism in the STDF to help beneficiaries translate good ideas into concrete projects. In 2012, the STDF received 22 official PPG applications. Of these, seven were tabled for consideration by the Working Group. Of these, three applications (all benefiting LDCs) were approved for funding (see table 4).

Table 4: PPGs approved in 2012

PPG Number and Title	Beneficiary	LDC / OLIC	STDF funding (US\$)
STDF/PPG/370: Strengthening the Competent Authority Analytical Laboratory for fish and other potential agricultural exportable products in the Solomon Islands	Solomon Islands	LDC	US\$29,900
STDF/PPG/377: Comprehensive Assessment and Development of a Project Proposal to Strengthen the National Plant Protection System in the Gambia	The Gambia	LDC	US\$50,000
STDF/PPG/400: Capacity building for aflatoxin management and control in groundnuts in Malawi	Malawi	LDC	US\$50,000
TOTAL			US\$129,900

3.3. Implementation of two PPGs started in 2012.¹⁸ Figure 3 shows the breakdown of the number of PPGs implemented by the STDF since its inception by region. In terms of project development, 68% was undertaken in Africa, 15% in Asia and 9% in Latin America and the Caribbean.

Figure 3: STDF PPGs (number)

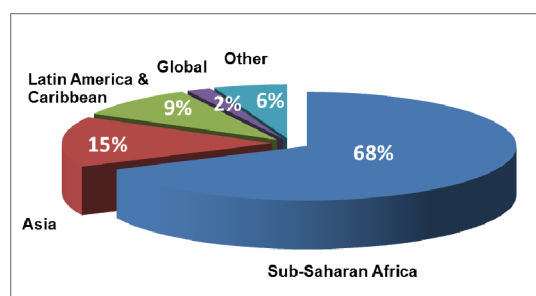
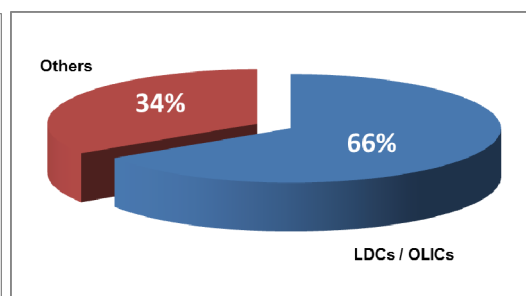


Figure 4: STDF PPGs (US\$)



¹⁸ Work under STDF/PPG/346 (COMESA Green Pass) was started through a legal study conducted and financed by FAO. Follow-up work will be contracted with the COMESA Secretariat in 2013.

3.4. Since its inception, the STDF has dedicated 66% of its resources for project development to LDCs and other Low Income Countries (OLICs).

3.5. Table 5 below lists the PPGs that were completed in 2012:

Table 5: PPGs completed in 2012

PPG Number:	Title:	Outcome:
STDF/PPG/165	Improving SPS controls in fruit production in Madagascar	Recommendation to fund externally
STDF/PPG/303	Conduction of a total diet study for Sub-Saharan Africa	Decision by Working Group in March 2013
STDF/PPG/308	Developing an SPS action plan for the Central African Republic (CAR)	Decision by Working Group in March 2013
STDF/PPG/316	Strengthening phytosanitary inspection and diagnostic services in Azerbaijan	Pending
STDF/PPG/323	Enhancing the Safety and quality of agricultural products in Senegal	Revision and submission to Working Group for electronic approval
STDF/PPG/335	Strengthening the Capacity for Phytosanitary Controls of Floriculture Sector in Uganda	Funded by STDF
STDF/PPG/344	Establishment of a Regional Food Inspectors School in Central America	Funded by STDF
STDF/PPG/345	A project for regulatory harmonization and feed safety in Latin America and the Caribbean	Decision by Working Group in March 2013
STDF/PPG/359	Africa Pesticide MRL Initiative	Funded by STDF

3.2 Formulation and review of project applications

3.6. In 2012, the STDF officially received 24 project applications. Of these, 11 were tabled for consideration by the Working Group. Of these, eight applications were approved for funding, totalling US\$5,086,550 in STDF funding (see Table 6). Approval by the Working Group was in all instances preceded by in-depth consultations between the Secretariat and the applicants to improve the design and quality of the proposals. In January, the STDF undertook a mission to Comoros (20-29 January) to assist the Government in reformulating a project that was developed under a PPG approved in 2009 (STDF/PPG/242) but deemed over-ambitious by the Working Group in October 2010.

Table 6: Projects approved in 2012

Project Number and Title	Beneficiary	STDF funding (US\$)
STDF/PG/242: Strategy to strengthen the SPS system in Comoros	Comoros	US\$1,106,030
STDF/PG/335: Strengthening the Capacity for Phytosanitary Controls of Floriculture Sector in Uganda	Uganda	US\$383,495

STDF/PG/344: Establishment of a Regional Virtual Food Inspection School in Central America and Dominican Republic	Central America	US\$977,643
STDF/PG/354: Improving Safety and Quality of Sri Lankan Fruits and Vegetables	Sri Lanka	US\$466,550
STDF/PG/358: Improving veterinary legislation in OIRSA member countries	Central America	US\$488,330
STDF/PG/359: African Pesticide Residue Data Generation Project: Strengthening regional capacity to meet pesticides export requirements based on international standards	Ghana, Kenya, Tanzania and Uganda	US\$446,150
STDF/PG/381: CocoaSafe: SPS capacity building and knowledge sharing for the cocoa sector in South East Asia	Indonesia, Malaysia and Papua New Guinea	US\$593,204
STDF/PG/401: Training of Phytosanitary Capacity Evaluation (PCE) Facilitators	Developing countries	US\$625,148
TOTAL		US\$5,086,550

3.3 Conclusion on improved capacity of beneficiaries to identify and prioritize SPS needs and formulate project proposals that are able to secure funding from STDF or external funding sources

3.7. The STDF came close to meeting its target of approving four PPG applications. Three applications approved (out of 22 applications received) may seem low at first sight. However, the quality of the initial applications received was largely beyond the STDF's control. Some applications did not meet the eligibility criteria, and in other cases applications were not re-submitted after the Secretariat provided initial comments. Some applicants indicated their preference for a project rather than a PPG (which they considered to be an unnecessary step). STDF members should continue to encourage beneficiaries to apply for PPGs and highlight their usefulness and benefits (including the application of SPS capacity evaluation tools and/or the conduct of feasibility studies). Meanwhile, many beneficiaries perceive the STDF as the main funding source for resultant projects and are aware that this source is limited. More and re-current PPG applications could be expected if bilateral donors would be able to increasingly (co-)fund resultant projects.

3.8. Members welcomed the revised review template for PPGs and project applications, which allowed the Secretariat to further improve its reviews. Work started on several PPGs and results should become apparent in 2013. The Working Group approved eight applications for funding, meaning that the STDF met its target (of funding at least four projects). Four of the eight applications approved in 2012 originated from a PPG application. In total, the Working Group approved US\$5,086,550 in STDF funding. In practical terms, this means that new donor contributions will be needed to implement STDF's 2013 Work Plan. Overall, the demand on the Secretariat in terms of providing advice to beneficiaries on project development issues and reviewing applications for consideration by the Working Group remained high.

3.9. Consistent with STDF's role as knowledge platform for information exchange, sharing experiences and the identification and dissemination of good practice, the Working Group increasingly considered projects that: (i) are relevant to the identification, development and dissemination of good practice in SPS technical co-operation (including projects that develop and apply innovative and replicable approaches); (ii) link to STDF work on cross-cutting thematic topics of common interest; (iii) address SPS constraints through regional approaches; (iv) are collaborative and inter-disciplinary focused on the interface/linkages between human, animal and plant health and trade, and benefiting from the involvement of two or more partners or other relevant organizations. All eight projects approved in 2012 fell into one or more of these categories.

3.10. The survey carried out in December among PPG and project beneficiaries indicated that (on a scale from 0 to 5) 80% of the beneficiaries is very or most satisfied (i.e. scale 4 and 5) with STDF's contribution to improvements in their capacity to identify and prioritize SPS needs and formulate project proposals. An additional 16% indicated to be satisfied (scale 3). This is a good score in light of STDF's target (i.e. more than 50% of beneficiaries satisfied) in the new strategy. Another - more general - indicator to measure improved capacity of beneficiaries to identify needs and formulate proposals relates to the number of project proposals that apply, or are based on, SPS capacity evaluation or prioritization tools (IPPC-PCE, OIE-PVS, ICCA-PVS, STDF-MCDA, etc.). Several respondents to the survey indicated that a fair share of the projects developed and/or implemented by them are applying, or are based on, such tools. However, additional information on baselines and targets used by STDF's partners is needed to put these survey results into perspective.

4 IMPROVED CAPACITY OF BENEFICIARIES OF STDF-FUNDED PROJECTS TO ANALYSE AND IMPLEMENT INTERNATIONAL SPS REQUIREMENTS

4.1 Implementation of project grants

4.1. In 2012, 11 projects started implementation. In October, the STDF participated in the inception workshop of the project on enhancing compliance, productivity and competitiveness in the cinnamon value chain in Sri Lanka, implemented by UNIDO and the Sri Lanka Spice Council (STDF/PG/343). In November, the STDF attended the inception workshop of the EIF/STDF-funded ginger competitiveness project, implemented by FAO in cooperation with the Ministry of Agriculture Development, the Agro-Enterprise Centre of the Federation of Nepalese Chambers of Commerce and Industry and the Nepal Ginger Producers and Traders Association (NGPTA) (STDF/PG/359).¹⁹

4.2. By the end of 2012, ten projects were at various stages of implementation. Since its inception, the STDF has approved a total of 63 projects for funding. Figure 5 below indicates that 38% of those projects have been awarded to Sub-Saharan Africa, 21% to Asia and 19% to Latin America and the Caribbean. In addition, 19% of projects can be classified as global.

4.3. Figure 6 below indicates that since its inception the STDF has dedicated 43% of its resources available for project implementation to LDCs and other Low Income Countries (OLICs). Since its inception the STDF has consistently met its target to devote at least 40% of its resources available for project and PPG implementation to LDCs and OLICs.²⁰

Figure 5: STDF Projects (number)

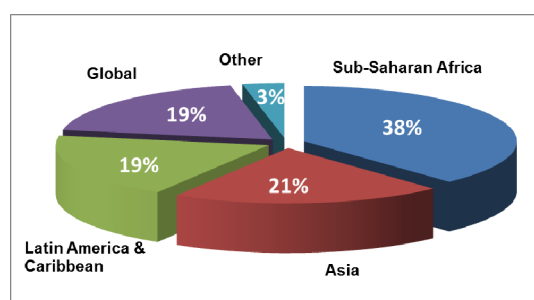
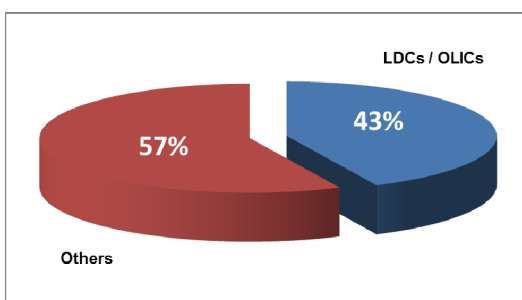


Figure 6: STDF Projects (US\$)



4.2 Projects completed in 2012

4.4. The following five projects were completed in 2012:

- *STDF/PG/155: Nicaragua Market-Oriented Training Service on Standards Application.* The project, implemented by IICA, supported the General Directorate for Agricultural Health (DGPSA) and the National Accreditation Office (ONA) to develop professional certification bodies, establish certified SPS training units, enhance SPS and quality practices through training to farmer groups and consolidate a replicable model for certification of SPS trainers. The project supported the National Agrarian University (UNA) to develop a diploma on

¹⁹ See paragraph 2.26. above.

²⁰ Since its inception, the STDF has dedicated 66% of its resources for project development to LDCs and OLICs.

quality and safety. 35 professionals obtained the diploma and participated in training on GAP, GMP and HACCP provided to small scale producers of peanuts, beans, okra and roots and tubers. 6,347 persons were trained and 35 demonstration plots were established and used as learning tools. Training manuals, guidelines and other support material were produced. Training on ISO 17024 for personnel certification was provided to 65 professionals, including inspectors from the Ministry of Agriculture and Forestry, staff from the Institute of Agricultural Technology and the UNA. The certification bodies were established in DGPSA and UNA by December 2012 and will be ready for operation in 2013.

- *STDF/PG/238: Development of accredited HACCP certification schemes for processed food products in Guatemala.* This project, implemented by the Guatemalan Exporters Association (AGEXPORT) and supervised by OIRSA, strengthened the inspection capacity in the country using independent agencies accredited according to international standards for HACCP based inspection for jams and preserves. The project was implemented from February 2010 to April 2012. All planned activities were performed and project objectives were successfully achieved. Among the project's main achievements is the development of a model of voluntary registration for exporters of their HACCP systems in the Ministry of Health. Guidelines and official criteria for the evaluation and recognition of the systems were developed with the Ministry. Another important result is the establishment of an innovative inspection service for implementation of HACCP in the food industry by accredited private companies. This has improved the availability to conduct inspections in Guatemala and ensures transparent procedures. The support given to the Guatemalan Accreditation Office (ONA) for the accreditation of inspection agencies was a key activity that allowed the ONA to be officially recognized by the Inter-American Accreditation Cooperation (IAAC).
- *STDF/PG/259: Strengthening Vietnamese SPS Capacities for Trade – Improving safety and quality for fresh vegetables through the value chain approach in Viet Nam.* The objective of this project was to strengthen the Vietnamese SPS capacities for trade by improving safety and quality of fresh vegetables using the value-chain approach. Implemented by FAO, in collaboration with the Fruit and Vegetable Research Institute (FAVRI), from 1 March 2010 until 31 August 2012, the project took a value chain approach to strengthen capacity in food safety and quality management in three selected provinces. Market survey and research helped to improve stakeholders' understanding about domestic and overseas markets and SPS requirements. The development and delivery of training courses improved the ability of different stakeholders (farmers, cooperatives, processing and trading companies, etc.) to supply safe and quality vegetables to the local retail sector and overseas markets.
- *STDF/PG/283: Strengthening capacity to address SPS risks in the mango value chain in Mali.* This project, implemented by the "Agence Nationale de la Sécurité Sanitaire des Aliments du Mali" (ANSSA) and supervised by the World Bank, aimed at strengthening public-private dialogue within the mango value chain through the harmonization of national standards and legislation with international standards, adoption of a national traceability system for mangoes and strengthening phytosanitary inspection capacity for exports and imports through a risk-based approach. Current regulations and standards were collected and analysed and 17 new legal texts were developed by specific working groups and submitted for approval by the Ministries of Industry and Agriculture. Traceability kits were developed, training and awareness raising activities were conducted and 300 farmers and 20 packing stations were accompanied in the implementation of the traceability system. Training on the WTO SPS and TBT Agreements, risk analysis, inspection practices, GAP and HACCP were provided to government officials, phytosanitary inspectors and mango producers. Implementation of the project benefited from the input and expertise of various organizations: Direction Nationale de l'Agriculture (DNA), Direction Nationale des Industrie (DNI), Office de la Protection des Végétaux (OPV), Conseil National de Normalisation et de Contrôle de Qualité (CNNCQ), Programme de Compétitivité et Diversification Agricole (PCDA), Unions des producteurs de Mangue and Associations des Exportateurs de Fruits et Légumes
- *STDF/PG/365: Application of the Multi Criteria Decision Analysis Tool to inform SPS decision-making in Belize.* The objective of this project was to use the MCDA framework to prioritize SPS capacity building needs in order inform the allocation of resources for SPS capacity building. The project was implemented by the Belize Agricultural Health Authority (BAHA) from January to September 2012, in collaboration with an international consultant who provided expertise on the MCDA framework, guided data collection and analysis, and

facilitated stakeholder consultations. Government departments with an interest in SPS matters, the private sector, industry associations and academia were actively involved. Building on the results of SPS-related capacity evaluations (carried out by FAO, IICA, IPPC and OIE), the MCDA work prioritized eight capacity building options. BAHA is seeking national resources for at least three of the top four options. The other options will be included in the Aid for Trade Strategy for Belize. The authorities in Belize considered this project to be very successful. BAHA intends to re-apply the MCDA tool periodically and to use it to inform the development of a new strategic plan for the agency. Both the Belize Trade and Investment Development Service and the Ministry of Natural Resources and Agriculture are keen to use the MCDA framework for their own programming. The final project report underlined the benefits of the project to give a snapshot of the potential trade impacts linked to particular SPS capacity options, and to help mobilize resources. It also identified relevant lessons for any future MCDA work including, inter alia, the necessity to ensure good stakeholder representation, the benefits of having access to and incorporating the findings of SPS-related capacity evaluation tools and the importance of carefully assigning decision weights.

4.3 Evaluations of projects

4.5. Evaluations of the following two projects were completed in 2012 and discussed in the Working Group:

- *STDF/PG/113: Building capacity to use the Phytosanitary Capacity Evaluation (PCE) Tool in the Pacific.* The evaluation concluded that the project was well executed and that all outputs were achieved: (i) officials from 14 countries were trained in the use of the PCE tool and introduced to concepts in international trade in plants and plant products; (ii) 14 PCE evaluation workshops were held with over 150 people involved; (iii) detailed PCE results were compiled; and (iv) a number of phytosanitary evaluation reports were produced. Evidence was found that the results of the PCE work were used by beneficiary countries and aid organizations to target projects to improve phytosanitary capacity. Improvements in the capacity to export plant products in some countries were also observed. The evaluation recommended that access to the results of the PCE should be clearly defined and agreed before application of the tool in a specific country. Aspects related to the sustainability of future capacity improvements should be properly considered in project design. Finally, priority should be given to phytosanitary capacity building projects focusing on the whole production, certification and export chain for individual products rather than to general phytosanitary capacity building projects.
- *STDF/PG/145: Rwanda Horticulture Export Standards Initiative (RHESI).* The evaluation concluded that the project was highly relevant and achieved its objectives. Especially the legislative and infrastructural components were very important and effective. The project assisted Rwanda in adhering to the IPPC, setting up a National Plant Protection Organization (NPPO) and in developing draft legislation. The project was also successful in increasing the knowledge base in the horticultural sector. Training to government officials, technicians and private operators on horticultural phytosanitary matters, good agricultural practices, integrated pest management and surveillance was performed effectively, although involvement of private stakeholders fell short of expectations. The evaluation indicated that institutional structures had been maintained after completion of the project. Action plans developed under the RHESI project were implemented by the Rwandan horticultural and phytosanitary authorities. Moreover, new technical assistance projects were implemented building on the developments of the RHESI project. The relatively weak public-private partnership and high fluctuation of trained staff were identified as threats to longer-term sustainability. These factors should be taken into account when designing similar projects in the near future.

4.6. In March 2012, the Working Group selected the following three projects (completed in 2011) for external evaluation:

- STDF/PG/116 (Establishment of a traceability system for the livestock sector in Costa Rica)
- STDF/PG/313 (Continuation of the West African Fruit Fly Initiative) in combination with STDF/PG/255 (Regional initiative on the fight against fruit flies in West Africa) and

STDF/PG/287 (Information sharing initiative on the actions to control fruit flies in Sub-Saharan Africa)

- STDF/PG/126 (Assistance to establish a horticulture industry organization in Tanzania)

4.7. These projects will be evaluated in 2013, in addition to two other outstanding project evaluations for STDF/PG/134 (Capacity building to improve fish trade performance of selected West African countries) and STDF/PG/234 (Development of an SPS Action Plan for Cambodia).

4.4 Conclusion on improved capacity of beneficiaries of STDF-funded projects to analyse and implement international SPS requirements

4.8. In conclusion, all STDF-funded projects completed in 2012 achieved good immediate results. Some of the projects will be selected for further external evaluation in 2013. Monitoring project implementation remained challenging and resource-intensive. The STDF continued to meet its target to dedicate at least 40% of its project resources to LDCs and OLICs. Over the years, however, this percentage has slowly decreased (54% in 2009, 50% in 2010 and 47% in 2011, 43% in 2012). This trend deserves attention in the near future. The allocation of PPG resources to LDCs and OLICs, however, remains high (i.e. 66% of the overall budget for PPGs).

4.9. The STDF initiated preliminary work on a number of project fact sheets, describing the background and objective, results and lessons learned for selected STDF-funded projects. This work was presented to the Working Group in October and well received. The work will continue in 2013 and be linked to the development of the new STDF website, which will include specific project webpages. Over time, thought can be given to summarizing the results and lessons learned across a wider spectrum of STDF-funded projects as part of further efforts to capture the impact of STDF's project funding component.

5 OPERATION OF THE FACILITY

5.1. There were no changes in the staffing situation of the STDF Secretariat.

5.2. The 2012 Work Plan set an annual target level of funding of US\$5 million. In 2012, a total of US\$4,837,808 was received in donor funding. In addition to contributions received from Canada, the European Union, The Netherlands and Sweden under multi-annual agreements, contributions were also received from Denmark, Germany, Ireland, Japan, Norway, and the United States (see Table 7).²¹ In short, the STDF came close to meeting its target level of funding in 2012, which can be considered a good result.

Table 7: Contributions received in 2012

Donor	Amount in CHF
Canada	917,095
Denmark	321,903
European Union	437,164
Germany	180,150
Ireland	222,305
Japan	100,196
Netherlands	981,997
Norway	245,559
Sweden	1,015,560
United States	106,259
Total	4,528,188
Total in US\$	4,837,808

²¹ In addition, in November 2011 Switzerland made a contribution of CHF500,000 for the years 2012-2013.

5.3. Annex 1 provides an overview of STDF's operating expenditures in 2012 amounting to US\$5,756,438. This amount corresponds to actual expenditure incurred in 2012 related to all STDF activities and projects under implementation, as per the new set of accounting standards used by the WTO Finance Department since January 2012.²² Annex 3 corresponds to the final balance of the year indicating a balance of US\$1,207,357. These resources will be used to finance activities of the STDF 2013 Work Plan and to approve new projects and PPGs in the next Working Group meeting in March 2013.

5.4. In conclusion, sufficient funding was available in the STDF Trust Fund to implement the 2012 Work Plan. However, additional funding will be needed to implement future work plans and activities. In 2013, the Secretariat will continue efforts to maintain the current donor base and level of contributions (ideally through multi-year commitments).

²² International Public Sector Accounting Standards (IPSAS).

Annex 1: STDF Operating Expenditures

Description	STDF Ref.	Budget Estimate USD	Actual Exp. CHF	Actual Exp. USD
Technical missions and meetings				
25 Technical missions		72,000	103,457	110,531
2 WG & 1 PC meetings		90,000	66,852	71,423
Total		162,000	170,309	181,954
Coordination activities				
Seminar on International Trade and IAS Application of the MCDA Framework in a region	STDF/CO/340	150,000	120,483	128,721
Regional meeting on SPS Strategies in Africa	STDF/CO/291	180,000	92,952	99,308
Studies/research: SPS coordination mechanisms	STDF/CO/369	180,000	43,244	46,200
Information dissemination: Virtual Library	STDF/CO/306	50,000	9,500	10,150
	STDF/CO/361	50,000	49,203	52,567
Total		610,000	315,381	336,945
Project Development				
PPG disbursement	STDF/PPG/165		7,826	8,361
PPG disbursement	STDF/PPG/335		9,703	10,366
PPG disbursement	STDF/PPG/308		8,914	9,523
PPG disbursement	STDF/PPG/344		9,857	10,531
PPG disbursement	STDF/PPG/345		4,785	5,112
PPG disbursement	STDF/PPG/359		10,942	11,690
Total		200,000	52,026	55,583
Project Funding				
Project reimbursements & adjustments			-110,767	-118,341
Project disbursement	STDF/PG/116		43,188	46,141
Project disbursement	STDF/PG/126		19,229	20,544
Project disbursement	STDF/PG/259		216,129	230,907
Project disbursement	STDF/PG/283		82,986	88,661
Project disbursement	STDF/PG/155		189,700	202,670
Project disbursement	STDF/PG/284		97,056	103,692
Project disbursement	STDF/PG/298		109,078	116,536
Project disbursement	STDF/PG/172		117,634	125,678
Project disbursement	STDF/PG/300		48,568	51,889
Project disbursement	STDF/PG/318		150,251	160,524
Project disbursement	STDF/PG/326		322,010	344,028
Project disbursement	STDF/PG/319		131,431	140,418
Project disbursement	STDF/PG/328		221,880	237,051
Project disbursement	STDF/PG/365		8,711	9,306
Project disbursement	STDF/PG/350		275,700	294,551
Project disbursement	STDF/PG/302		319,449	341,291
Project disbursement	STDF/PG/336		236,495	252,665
Project disbursement	STDF/PG/329		198,888	212,487
Project disbursement	STDF/PG/343		292,950	312,981

Description	STDF Ref.	Budget Estimate USD	Actual Exp. CHF	Actual Exp. USD
Project disbursement	STDF/PG/344		130,896	139,846
Project disbursement	STDF/PG/335		100,092	106,936
Project disbursement	STDF/PG/242		296,768	317,059
Project disbursement	STDF/PG/337		118,482	126,583
Total		2,400,000	3,616,802	3,864,105
Evaluations				
Ex-post evaluation PG/145	STDF/EV/145		7,768	8,299
Ex-post evaluation PG/133	STDF/EV/133		4,785	5,112
Total		75,000	12,553	13,411
Operating Expenses				
STDF staff expenditures		819,000	764,364	816,628
Miscellaneous			19,592	20,931
Total		819,000	783,955	837,559
Sub-total		4,266,000	4,951,026	5,094,193
Overheads (13%)		554,580	643,633	662,245
GRAND TOTAL		4,820,580	5,594,659	5,756,438

Annex 2: Uncontracted Commitments

Description		Approval Date	Budget USD
Project Preparation Grants			
STDF/PPG/346	COMESA	Jun-11	90,000
STDF/PPG/370	Solomon Islands	Mar-12	29,900
STDF/PPG/377	Gambia	Mar-12	50,000
STDF/PPG/400	Malawi	Oct-12	50,000
Project Grants			
STDF/PG/354	Sri Lanka	Mar-12	466,550
STDF/PG/358	Central America	Mar-12	488,330
STDF/PG/359	African Pesticides	Oct-12	446,150
STDF/PG/381	Cocoa Safe	Oct-12	593,204
STDF/PG/401	PCE Facilitators	Oct-12	625,148
Total			2,839,282
Overhead fees (13%)			369,107
GRAND TOTAL			3,208,389
GRAND TOTAL (CHF)			3,003,052

Annex 3: Final Balance

Description	Amount (CHF)
Opening Balance as at 1 January 2012	7,343,128
Opening balance - IPSAS adjustments	3,513,556
Contributions Current Year	4,528,188
Interest on Investments	9,856
TOTAL FUNDS	15,394,729

Contracted Commitments	5,666,932
Total Expenditures	5,594,659

BALANCE IN FAVOUR OF DONORS	4,133,138
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Uncontracted commitments	3,003,052
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FINAL BALANCE	1,130,086
FINAL BALANCE (US\$)	1,207,357

The Standards and Trade Development Facility (STDF) is a global partnership that supports developing countries in building their capacity to implement international sanitary and phytosanitary (SPS) standards, guidelines and recommendations as a means to improve their human, animal and plant health status and ability to gain or maintain access to markets. It was established by the Food and Agriculture Organization of the United Nations (FAO), the World Organisation for Animal Health (OIE), the World Bank, the World Health Organization (WHO) and the World Trade Organization (WTO).
More information is available at: www.standardsfacility.org