

Good practice in SPS technical cooperation

THE PARIS PRINCIPLES. In March 2005, more than 100 countries agreed on a set of actions to improve the quality of aid and its impact on development. The countries were both donors and developing nations, and what they agreed is called the “Paris Principles on Aid Effectiveness”.

The Standards and Trade Development Facility (STDF) and the Organisation for Economic Co-operation and Development (OECD) recently examined how the Paris Principles can be applied to food safety and animal and plant health — sanitary and phytosanitary (SPS) measures – and identified good practices for future assistance.

This briefing note summarizes the findings and the key lessons learned. The primary message which emerges is that although building developing countries’ capacity to handle SPS issues is complex, the Paris Principles are relevant and should be respected.

Making assistance work on the ground

Increasing amounts of public money are being spent on helping developing countries build up their capacity to deal with sanitary and phytosanitary issues. Donors and recipient countries alike expect this assistance to be used as effectively as possible.

The Paris Principles on Aid Effectiveness were adopted in March 2005 to make aid more effective in general. Research carried out by the STDF and OECD in 2008 examined how the Paris Principles are being applied in SPS technical cooperation and identified ways to improve future assistance.

Paris Principles on Aid Effectiveness

- Ownership
- Alignment
- Harmonization
- Managing for results
- Mutual accountability

<http://www.oecd.org/dataoecd/11/41/34428351.pdf>

A survey identified 24 SPS projects (six in East Africa, eight in Central America and 10 in the Greater Mekong Delta Sub-region) as examples of good practice. The STDF-OECD research examined these, using interviews in the countries that received the aid to find out what recipients thought was done well in these projects. The findings were presented at a workshop in Geneva on 6 October 2008.

In general, the good news was that the Paris Principles are applied to SPS capacity building to some extent. But the research also found that more needs to be done to apply the principles more extensively and systematically on the ground. These are some of the details.

Ownership. This is a basic requirement to make aid effective. Yet, in practice, many beneficiaries of SPS assistance play a limited role in selecting projects, and in implementing them.

Why? Often developing countries lack the skills required to assess needs and to design and implement projects, problems worsened by management shortcomings. In other cases, developing SPS capacity is not seen as a priority.

Assistance designed and delivered by donors can sometimes help decision-makers become more aware that SPS capacity building is important. Nevertheless, more should be done so that beneficiaries play a leading role in designing and implementing their own projects.

Key messages

- SPS technical assistance is achieving results but the impact and sustainability can be undermined by practices that are not optimal.
- Fragmented, supply-driven assistance should be avoided.
- Paying attention to ownership and absorptive capacity is crucial.
- Developing local public and private sector capacity enhances sustainability.
- Applying a “value chain” approach can target assistance to areas where it would have the greatest impact on trade performance.
- SPS capacity building should be better integrated with other areas of development cooperation.
- The Paris Principles offer sound guidance to make SPS assistance more effective. More work is needed to apply these principles on the ground.
- Measuring the impact of SPS assistance on trade performance is important. Indicators should be developed and used systematically.

Needs analysis. This is a starting point for well-designed projects, ensuring that genuine priorities are tackled. Project designers have to take a broad public view when assessing needs to develop cost-effective and sustainable activities.

Existing tools can be used to assess food safety, veterinary and plant health capacity in countries. Add to that more collaboration between donors and recipients in assessing needs, and the result can be more appropriate and harmonized assistance.

Absorptive capacity. Simply giving aid is pointless if the recipient country lacks the means to make use of it. Successful SPS technical assistance requires good governance, institutions and policies, and these vary between countries.

Understanding absorptive capacity is, therefore, essential to design activities that are suitable for local circumstances.

Harmonization and alignment. These terms are used to describe how well donors work with each other, and with recipient countries, in the provision of assistance.

A project is better if it links to other related projects, making all of them more effective and simpler to manage. In general, that means building the basic foundations of SPS capacity before tackling more sophisticated needs. SPS projects should also build on assistance in other areas such as agricultural development and trade facilitation. Improving coordination and sharing information on needs assessments and projects are key. So is integrating SPS capacity building into national development plans and budgets.

A value-chain approach. The ultimate aim is to enable farmers, companies, government agencies and others to apply SPS standards, improve human, animal and plant health, and through that, gain and maintain market access.

That means looking at the whole value chain, and genuine market opportunities and constraints, when assessing public and private sector SPS needs. Using incentives and cost-sharing mechanisms improves targeting and increases accountability and sustainability.

Results-based. If the focus is on results, then what is needed is a minimum level of capacity to formulate and implement SPS policies, to manage projects and to monitor progress. However, these skills are often in short supply, which complicates project management. So, management training can be usefully included in SPS technical assistance.

All stakeholders. Technical assistance is more sustainable and has more of an impact if all relevant stakeholders are involved. This is particularly true of the private sector, including potential users of services and others who could eventually be responsible for financing and delivering capacity building.

Development milestones. SPS technical assistance should reflect milestones in development cooperation including the Millennium Development Goals and the Paris Principles.

Key elements of good practice

- Ensure national ownership
- Consider the country's context and absorptive capacity
- Carefully assess and prioritize needs
- Ensure activities are transparent, connected and in sequence
- Adopt a value chain approach to maximize trade impact
- Encourage public and private sector participation
- Be flexible during implementation
- Link the development of skills to practice
- Strengthen management capacity and manage for results
- Avoid market distortions
- Rigorously evaluate impact

Measuring the impact. It is difficult to calculate how much SPS technical assistance improves a country's trade performance. In practice, the impact is seen in the future and is usually the result of a combination of different interventions. Moreover, the real effect of assistance on trade is little understood, with no systematic use of indicators to measure the impact. Future work should seek to develop those methods.

Further information

- WTO. 2008. *Good Practice in SPS-related Technical Assistance: An Overview and Synthesis of the Findings of STDF/OECD Research* (G/SPS/GEN/875).
- Henson, S. and Masakure, O. 2008. *Good Practice in SPS-related Technical Cooperation: East Africa Region Report* (G/SPS/GEN/871).
- Hafemeister, J. 2008. *Good Practice in SPS-related Technical Cooperation: Central America Sub-region* (G/SPS/GEN/874).
- Van der Meer, C. and Ignacio, L. I. 2008. *Good Practice in SPS-related Technical Cooperation: Greater Mekong Sub-Region* (G/SPS/GEN/872).
- STDF Website: www.standardsfacility.org

This is the first in a series of briefings prepared by the STDF on topics related to SPS technical cooperation. These briefings are available at www.standardsfacility.org. This publication has been prepared under the responsibility of the STDF Secretariat and does not necessarily reflect the views of STDF partners, donors or other participating organizations. For more information, contact STDFSecretariat@wto.org or visit www.standardsfacility.org.