STDF PROJECT PREPARATION GRANT (PPG)

APPLICATION FORM

The Standards and Trade Development Facility (STDF) provides Project Preparation Grants (PPGs), up to a maximum of US\$50,000, for the following purposes (or a combination thereof):

- application of SPS-related capacity evaluation and prioritization tools;
- preparation of feasibility studies that may precede project development to assess the potential impact and economic viability of proposals in terms of their expected costs and benefits; and/or
- preparation of projects proposals that promote compliance with international SPS requirements, for funding by the STDF or other donors.

Applications that meet the STDF's eligibility criteria are considered by the STDF Working Group, which makes the final decision on funding requests. Complete details on eligibility criteria and other requirements are available in the *Guidance Note for Applicants* on the STDF website (<u>www.standardsfacility.org</u>). Please read the *Guidance Note* before completing this form. Completed applications should be sent by email (as Word documents) to <u>STDFSecretariat@wto.org</u>.

PPG Title	Develop a project proposal to address food safety needs focusing on the National Food Safety Strategy	
Budget requested from STDF	40600 USD	
Full name and contact details of the requesting organization (s)	Ministry of Economic Development and Trade of Tajikistan, Contact details: 37 Bokhtar str. Dushanbe, Tajikistan Phone: (+992) 37 2273434, 2215132 Fax: (+992) 37 2214623 Contact person: Mr. Nazriev S. R. deputy minister	

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I. BACKGROUND AND RATIONALE

1. What is the purpose of this PPG? Explain whether it is requested to: (i) apply an SPS-related capacity evaluation or prioritization tool; (ii) prepare a feasibility study (prior to project development) to assess the potential impact and economic viability of proposals in terms of their expected costs and benefits; and/or (iii) prepare a project proposal for consideration by the STDF or other donors?

The project falls mainly under Theme 2 of the STDF objectives:

 Preparation of project proposals that promote compliance with international SPS requirements, for funding by the STDF or other donors

The main purpose of this PPG is to technically and financially assist Tajikistan in implementation of the National Food Safety Strategy (NFSS) that will facilitate Tajikistan in development of the food control system and meeting international requirements. It is expected to introduce with NFSS and results of evaluations of the food control system done by a range of stakeholders and outline outcomes in detailed project proposal to implement prioritised activities.

The project proposal will be submitted to STDF or other donors for consideration.

2. Explain the key SPS problems and/or opportunities to be addressed. Clarify why these issues are important, with attention to market access and poverty reduction. Describe, if relevant, how these issues relate to SPS priorities in the Enhanced Integrated Framework's Diagnostic Trade Integration Studies (DTIS), the findings of SPS-related capacity evaluations, national poverty reduction strategies, sector development strategies or policies, etc. See Qn. 7. (b) – (d) of the Guidance Note.

- The food control system of any country is a reflection of its history. In the case of Tajikistan the established system still shows the influence of the pre-independence period in its reliance on an extremely elaborated set of food specifications that is enforced, in theory at least, by a system of product certification as well as other regulatory interventions. Recently undertaken some changes in legislative framework of the food safety area as results of the WTO accession process and development of NFSS as one of the outcomes of post WTO accession activity will serve for the country as a roadmap to address the national food safety needs in the near future.
- Republic of Tajikistan during 11 years of WTO accession process made significant improvement in development of its food control system. The major poducts of the accession process are membership in OIE, IPPC, Codex Alimentarius Commission, development and implementation of Law "On Food Safety" and eventually NFSS. But the system still reflects archaic Soviet system where GOST based system still predominates over market based one and duplication of activities by various national agencies and ministries is a major obstacle for fast adaptation to the new - WTO based approach.
- Many International Organizations such as International Trade Centre (ITC), FAO,WHO, GIZ and donors like EC, ADB an WB have been assisted Tajikistan's Government in its efforts to join WTO and implement post accession activities. One of the important issues for the country is food safety and ways to gradually adapt and harmonise food control system to the international requirements. The national food control system has therefore been assessed by various international stakeholders. Amongst others the assessments and activities implemented by ITC, FAO and OSCE such as "Trade Promotion In Tajikistan", FAO GCP/TAJ/007/EC "Assistance in Strengthening of the National Food Sequrity Information System",

"Assistance in Capacity building for food safety related risk management in food enterprises and government bodies in Tajikistan" GCP/SEC/010/TUR and WB "One Health Regional Action Plan for Central Asia" have more significant effect in efforts to assess and improve food control system in Tajikistan. Although the food control system of Tajikistan has been assessed by a range of stakeholders there wasn't a comprehensive document which could summarize all outcomes and outline priorities for stepwise implementation. Considering this gap the Ministry of economic development and trade of Tajikistan requested ITC to provide technical and financial assistance to the inter-ministry working group in development of the National Food Safety Strategy. The draft NFSS is now under deliberation of the line ministries and agencies and will be finalized by the end of January 2015.

- Thus as a low income country and one of the new WTO members, Tajikistan requires financial and technical assistance to develop the expertise and capacity for development of its food control infrastructure to implement sanitary and phytosanitary measures in internationally recognized manner, particularly for agricultural products destined for international markets. Domestic rules and standards on food safety need to be harmonized with international standards set by the "Three sisters" i.e. CAC, OIE and IPPC and other international standard-setting bodies. Nonetheless the institutional, technical and legal capacities of the agencies involved in food production and food control are quite limited. These capacities would undoubtedly limit not only the country's active participation in the standard-setting process of "Three sisters" and other international standard-setting bodies but also more importantly limit its capacity in food export market opportunities.
- Another important aspect for streamlining of the food control system is food safety policy. Currently there is no documented food safety policy in Tajikistan, but the commitment and initiatives made toward implementing and modernizing food safety control in the country during and after WTO accession demonstrates existence of the political will and a food safety policy accordingly, which now need to be documented, debated and approved. The recently adopted law "On food safety" is the source for further promotion of the food regulatory system and food producers, when supported by subsidiary regulations. But absence of the subsidiary legislation or operation of obsolete regulations, standards, guidelines have become a stumbling block for implementation of the law and pose additional

challenges in the country's import, domestic and export activities. Also poor awareness and application of best practices in the agriculture sector such as GAP, GMP, GHP, HACCP, harmonization of the food control activities to them, transition to the risk based control system are other obstacles to implement modern food inspection practices, to enrich local market with safe and quality products and to explore new export markets which are facilitated following WTO accession.

In trying to gradually resolve these challenges Tajikistan, as a first • step commenced development of its NFSS that deemed to summarise the outcomes of reports of the international and national consultants and experts under projects such as the International Trade Center project "Trade Promotion In Tajikistan", FAO GCP/TAJ/007/EC "Assistance in Strengthening of the National Food Sequrity Information System", national studies done under One Health Regional Action Plan for Central Asia, frame of economic develop activities of Organization for Security and Co-operation in Europe (OSCE) and other international organizations' projects to identify capacity needs for development of the SPS and particularly food control system, its institutional, technical and legal conditions and to prioritize needs for making agriculture crops safe and competitive in regional and international markets. PPG should emphasise (but not limited to) and cover activities with regard to implementation of the NFSS and law "On food safety" focusing on capacity building particularly on risk assessment, application of the modern monitoring and inspection programmes, traceability, adjustment/consolidation testing facilities and staff development, implementation basic and modern standards and methods for agriculture and food industry such as GMP, GHP, HACCP, development of market access strategy and bridge up other undisclosed gaps.

For this it is expected to introduce and review existed reports and available information and data along with NFSS. The outcomes then will serve as a base for development and formulation of a suitable Project Proposal.

In this respect Tajikistan would therefore like to explore the opportunities offered by STDF to commence implementation of NFSS and recommendation of the international community made during assessments of the food control system in Tajikistan.

The main food regulatory bodies are:

<u>Ministry of Health and Social Protection of Population (MoHSPP)</u> The MoHSPP controls food safety and quality of the processed food products, catering trade, imported products, beverages and bottled water. The Central Laboratory also certifies microbiological laboratories.

Ministry of Agriculture

Has mandate to control raw food of animal origin and primary production of products of plant and animal origin. The ministry carries out border control to prevent entry of pests or diseases and unsafe feedstuffs, as well as protect plant life and the environment from the entry of alien invasive species, other pests and diseases.

Agency on Standardization, Certification, Metrology and Trade Inspection (Tajikstandart)

Involved in food control via development, implementation of Technical regulations and conformity assessment activities.

Activities of the mentioned above bodies were evaluated by WB, OSCE and ITC. ITC made its assessment via a Matrix showing which agencies are engaged in each of the very extensive range of individual food control activities that comprise the national food control system. The assessment revealed existing gaps and very extensive duplication of functions and activities by the various agencies and further served as a basis for recommendations and set base for development of the law "On food safety" and NFSS.

3. Which government agencies, private sector, academic or other organizations support this PPG request? Letters of support from each of these organizations would be advantageous (Appendix 1). See Qn. 7. (e) of the Guidance Note.

Ministry of Economic Development and Trade of Tajikistan

Ministry of Health and Social Protection of the Population of Tajikistan

Ministry of Agriculture of Tajikistan

Chamber of Commerce and Industry of Tajikistan

4. How does this PPG complement and/or build on past, ongoing and/or planned national programmes and/or donor-supported projects? See Qn. 7. (f) of the Guidance Note

- <u>National Poverty Reduction Strategy for 2010-2012</u> defined improvement of the system of public administration according to the principles of the market-based economy and establishment of the modern professional civil service as one of the chief priority areas. As well as it stated that the country's capacity for export of agricultural output has only been partially exploited. Therefore, it is necessary to implement the State sectoral programmes in a timely manner and to undertake concrete measures for the wide use of the high-yield varieties of grain crops, vegetables and potato, as well as for developing horticulture in order to provide the domestic market and increase the country's export capacity.
- The government of Tajikistan has recognized the need to expand and diversify its economy, both by diversifying products away from commodities and by penetrating new markets in order to diversify the risk of volatile demand fluctuations. Tajikistan's principal strategic document, the <u>National Development Strategy for the period up to</u> <u>2015</u>, defines a number of priorities, which include diversification of the economy and enhancement of export capacity, expansion of support for businesses, and regional cooperation and integration into the global economy.
- Ministry of Economic Development and Trade of Tajikistan has initiated development of the <u>National Food Safety Strategy</u> as an activity of post WTO accession plan of Tajikistan. NFSS will serve as a roadmap for the country in establishing effective and efficient food control system through introduction of best international recommendations and practices to meet and consider:
 - legitimate expectations of consumers;
 - country trade policy and development of food industry;
 - potential pattern of food exports and the official and private food standards;
 - needs to eliminate overlapping functions of food safety bodies;
 - and eventually to contribute in protection of population health in both national and global scale

• The proposed PPG will support Tajikistan to address prioritized food safety needs in Tajikistan and set base for further development of the food control system through holistic approach (i.e. development of key actors not only engaged in the food control but also in food production chain). Assuming the fact that the food control system of Tajikistan and food industry is still in transition the proposed activity will facilitate enhancement of export potential, improving capacity of the food control system and food industry mainly in agriculture sector. It will also enable producers and exporters in Tajikistan to gain maximum benefits of the WTO accession (SPS and TBT agreements) and be able to advocate national trade interests at international level and eventually adress the problems higlighted in the mentioned above national strategies.

5. Have you discussed this PPG request – or funding for the project proposal which would result from it – with any potential donors (bilateral, multilateral, Enhanced Integrated Framework, etc.)? If so, provide details below and indicate potential sources of funding for the resulting project. See Qn. 7. (g) of the Guidance Note.

As part of PPG development process the application for PPG has been discussed with missions of World Bank, Asian Development Bank and SEKO in Tajikistan to find possible sources for the project funding. There is interest from all sides on their possible involvement but the bodies need to be introduced with the project proposal in advance with the scope of activities and the budget. It could be done during PPG implementation process. But there is no guarantee of funding of the project proposal by these bodies.

II. Implementation & Budget

6. Who will take the lead in implementing this PPG? If particular national experts and/or international consultants are proposed, attach a copy of their Curriculum Vitae and record of achievements (Appendix 2). If no names are provided, the STDF will provide a shortlist of consultants if the PPG request is approved.

Ministry of Economic Dvelopment and Trade of Tajikistan (MEDT) will be responsible for overall project management and will coordinate and lead the PPG implemenation.

Implementation strategy

MEDT will be responsible for selection of the National Consultant, logistic and organizational arrangements for PPG implementation and participation in selection of the international consultant to be suggested by STDF.

It is expected that the services of an international consultant (IC) be offered by STDF who will be assisted by a local/national consultant (NC). Both consultants must have competence in the area of food safety. The international consultant will have in total two missions (one 14 days mission and one 7 days mission) and 14 days office & in-house work. IC in total will have 35 and NC - 25 working days within project cycle. Before mission NC will collect and provide all available data and information as per IC request to ensure his pre-mission activity. During the first IC mission the consultants will make an in-depth review of the food control system of Tajikistan using NFFS, reports, data and other available information. The field activity will also include identification of the market access issue to be included as a component of the Project Proposal. Meetings and field visits will be taken according to preliminary prepared mission programme to verify information and clarify details. During the first mission it is expected to arrange a stakeholders' workshop to discuss the prioritised activities and main aspects of NFFS to be included in the Project Proposal and which will then be verified during inter-ministry Round Table organized during second IC mission. International Consultant will draft the Project Proposal and complete it by the end of the project cycle.

An important part of the activity under PPG is coordination of activities with Ministry of Economic Development and Trade of Tajikistan and International Trade Centre which have been providing technical assistance to the inter-ministry working group in development of NFSS. This approach will ensure inclusion of the prioritized NFSS and included in it market access activities in the Project Proposal to support their implementation.

MEDT and other ministries and organizations supporting PPG will serve as the national steering committee to facilitate the PPG implementation process. The working days in total are 60 days including office & in-house work within 8 weeks project cycle.

The project commencement and completion dates will be clarified upon PPG approval.

Expected outputs

• Project proposal to STDF and/or other donors is completed and submitted for funding.

Implementation plan

	Weeks							
Activity	1	2	3	4	5	6	7	8
Preparatory work	Х							
Commence review of the NFSS and IO reports and complete field part of the review		X	X					
Summarize the review outcomes			Х					
Stakeholders' workshop				Х				
Draft project proposal				Х	Х			
Inter-ministry Round Table						X		
Finalize project proposal						Х	Х	
Report								Х

7. In the table below, briefly describe the main activities to be carried out under this PPG and specify who would be responsible. Provide an estimate of the budget required (e.g. for national/international expertise, travel and DSA of consultants, stakeholder meetings or workshops, general operating expenses, etc.).

Activity	Responsible	Estimated Budget (US\$)
National/international expertise	International consultant (USD 600 x 35 days)	21000
	National consultant (USD 200 x 25 days)	5000
International travel	STDF (travel for International consultant)	2000 (is subject of change depending on the country where IC will travel from)
Domestic travels (mobility)	MEDT (rental of car)	1200
DSA for Int. Consultant	STDF (USD 200 x 21 days)	4200
General operating expenses	MEDT (secretarial support, translation service)	3000
Consultation, round table and workshop	MEDT (focus group discussions, rent of venue, refreshments, lunch and DSA for participants of the national workshop and round table)	4000

Miscellaneous	MEDT (stationery for workshop, phone calls, printing, copying, delivery, etc)	200
Gross total		40600

Appendices

Appendix 1: Letters of support from each of the ministries and agencies supporting this proposal.

Appendix 2: Curriculum Vitae and record of achievements of the national consultant proposed to assist implementation of this PPG.

Appendix 3: Country background

Appendix 4: Draft final NFSS

Appendix 5: MEDT letter to STDF