

ENHANCING SPS CAPACITY TO PROMOTE TRADE FOR DEVELOPMENT IN LEAST DEVELOPED COUNTRIES

A REVIEW OF DIAGNOSTIC TRADE INTEGRATION STUDIES



Ambra Gobena



Standards and Trade
Development Facility



Enhanced Integrated Framework
Trade for LDC development

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The findings, interpretations and conclusions expressed in this paper are entirely those of the author. They do not necessarily represent the views of the STDF, the EIF or any of their partner agencies or donors.

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ABBREVIATIONS

ADB	Asian Development Bank
AfT	Aid for Trade
AM	Action Matrix
ASEAN	Association of Southeast Asian Nations
AU	African Union
CEMAC	Central African Economic and Monetary Community
COMESA	Common Market for Eastern and Southern Africa
DTIS	Diagnostic Trade Integration Study
DTISU	DTIS Update
EAC	East African Community
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EIF	Enhanced Integrated Framework
EIFTF	EIF Trust Fund
EP	Enquiry Point
ES	Executive Secretariat for the EIF
FAO	Food and Agriculture Organization of the United Nations
FP	EIF Focal Point
LDC	Least Developed Country
MIE	Main Implementing Entity
MTP	Medium-term Programme
NGO	Non-governmental organization
NIU	EIF National Implementation Unit
NSC	EIF National Steering Committee
NTB	Non-tariff Barrier

NTM	Non-tariff Measure
OIE	World Organisation for Animal Health
PCE	Phytosanitary Capacity Evaluation
PVS	Performance of Veterinary Services
SADC	Southern African Development Community
SPS	Sanitary and Phytosanitary
STDF	Standards and Trade Development Facility
SWAp	Sector Wide Approach
TA	Technical Assistance
TBT	Technical Barriers to Trade
TOR	Terms of Reference
WAEMU	West African Economic and Monetary Union
UNIDO	United Nations Industrial Development Organization
UNCTAD	United Nations Conference on Trade and Development
UNWTO	United Nations World Tourism Organization
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization

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EXECUTIVE SUMMARY

Diagnostic Trade Integration Study (DTIS) reports identify constraints and opportunities in the integration of Least Developed Countries (LDCs) into global trading systems. Today, many of these constraints relate to Non-tariff Measures (NTMs), and in particular for LDCs, Sanitary and Phytosanitary (SPS) measures pose a significant challenge. This Study analyzes the coverage of SPS issues within DTIS reports and examines how the DTIS elaboration process may affect this coverage. The Study identifies avenues to improve the engagement of SPS authorities and other relevant stakeholders in this process. The review is primarily based on an analysis of DTIS reports and DTIS Updates (DTISU) conducted across twenty countries¹, with three² country experiences zeroed in for closer examination, and supplemented by expert and organizational interviews.

Agricultural exports are critical for LDCs, however, access to foreign markets is contingent upon compliance with SPS requirements of the importing country. These requirements are even more challenging to meet given the unprocessed form of most LDCs' agricultural exports. Agriculture is often the largest contributor to the economy of many LDCs, and for many countries, accounts for the bulk of export commodities. Growth in agriculture can have a disproportionately (positive) effect on poverty reduction, therefore unlocking constraints to the sector's growth is essential. The WTO Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) and other regional arrangements have been introduced to facilitate trade in agricultural and food products by establishing minimum requirements to protect animal, plant or human life or health. Examples of these measures include those to prevent the introduction and spread of animal and plant pests and diseases in a country, which directly affects agricultural productivity (and the income of persons dependent on agriculture) and also food security. Increased production costs resulting from the implementation of SPS measures are the main factor

undermining LDCs' ability to access foreign markets. Even when access to markets is gained, repeated rejections of shipments on SPS grounds typically result in stricter scrutiny by the importing countries, increased transaction costs, damage to reputation of the product from that country, and a loss of confidence in the competent authority's export certification system.

SPS issues are referenced to some degree in almost all of the 30 DTISs and DTISUs reviewed; however, these issues are not necessarily addressed in a comprehensive or systematic manner. SPS issues are important in agriculture-based LDCs, but these concerns are not uniformly important in every country (depending on the commodity or sector export readiness), and not all challenges are of equal importance for the country across the three SPS areas of concern (plant health, animal health or food safety), thus partly accounting for the variance in detail and coverage of SPS matters. Superficial references to SPS issues in the DTISs risk undermining the weight and significance of these issues. Overall, DTISUs largely demonstrate improved SPS coverage with six of the eleven DTISUs reviewed containing good to excellent coverage of SPS issues. Most DTISUs do not track implementation progress from the prior DTIS on SPS aspects. Finally, the analysis revealed a frequent confusion in use of terminology regarding standards, requirements and quality standards in the DTIS and DTISU reports. The manner in which SPS matters are analyzed, varies significantly across DTISs. Although the 2011 Compendium of EIF Documents: A User's Guide to the EIF (2011) – hereafter the Compendium includes general guidelines, there is no prescriptive structure of a DTIS report. Of the reviewed DTISs, eleven have a self-standing chapter or significant sub-section of a chapter on SPS aspects. For the remaining reports, analysis of SPS issues can also be found in sectoral studies, under a trade facilitation rubric, within the context of a NTMs or Non-Tariff Barriers (NTBs) chapter, or as part of a market access discussion or value chain analysis. An extensive self-standing SPS section or chapter is clearly beneficial in that it makes it easy for SPS stakeholders to easily identify the relevant analysis.

¹ A total of 30 DTISs and DTISUs from the following countries: Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Chad, Ethiopia, Guinea-Bissau, Haiti, Lao PDR, Liberia, Madagascar, Malawi, Mozambique, Nepal, Senegal, Solomon Islands, Sudan, Tanzania and Vanuatu. This follows a preliminary review of 55 DTISs and DTISUs to select these focus countries.

² Cambodia, Senegal and Tanzania.

However, this should not come at the expense of having an integrated and holistic analysis that helps bring SPS and non-SPS stakeholders together around common objectives, instead of the often-observed silo view that disregards interconnections and synergies. SPS coverage in DTISs also varies in emphasis according to implementing entities and team composition, particularly with the inclusion of an SPS expert.

There are systematic gaps in the coverage of certain SPS issues, particularly with regard to fish health, tourism linkages and export certification. DTISs typically neglect SPS issues in the aquatic animals sector. Even in DTISs that examine the fisheries sector, references to SPS challenges tend to focus solely on the safety of foods of aquatic animal origin, ignoring challenges related to fish health. DTIS reports frequently include analysis of the tourism sector; however, two of the reports reviewed explicitly explore strengthening local supply chains to source food for hotels locally, and highlight the importance of ensuring safe food to protect the reputation as a tourism destination. None of the reports reviewed make the linkage between preventing the entry of invasive alien species and the protection of landscapes and ecosystems for tourism (and other) purposes.

Moreover, DTIS reports do not typically address pest or disease considerations in analyses referring to wood or timber products, although these are of importance given the potentially devastating impact on the resource, and attention is not paid to the relevance of phytosanitary measures on these products. Finally, despite the strong focus on SPS-related export aspects in the DTIS, there is surprisingly insufficient analysis of the processes and capacities (or lack thereof) of export certification systems.

References to SPS institutions tend to be generic, and without specific recommendations or analysis. While general descriptions are useful to identify SPS competent authorities to a trade audience, the added value may be questionable. Overall, coverage of the Enquiry Points (EPs) and the relevant standard-setting contact point varies significantly among reports. Sixteen reports reviewed make reference to the SPS EP and seven refer to the relevant standard-setting contact point; both are critical for information collection and dissemination at country level.

Regional issues are increasingly featured in DTISs; however, insufficient attention is paid to regional SPS cooperation, frameworks and policies. Regional trade is becoming increasingly important for LDCs that are looking to explore opportunities offered by regional markets, and to strengthen regional networks and linkages. This requires a good understanding of the impact of existing regional trade agreements on the applications of SPS measures, and also the extent to which these agreements and other common regional policies offer opportunities for pooling resources and infrastructure (for example, laboratories and training facilities). There are references to regional frameworks in some DTIS reports, although this is neither consistent nor detailed with reference to SPS matters. DTISs have not often explicitly aligned recommendations in the SPS area with regional SPS priorities, nor with broader regional agriculture or trade policies.

Policy coherence is often not evident between SPS recommendations in the DTIS and national-level agricultural, industrial or other development and investment strategies. SPS issues cannot be looked at in isolation as investments and recommendations relating to SPS areas must coincide with the policy direction in other sectors. For instance, industrial strategies that promote manufacturing and value addition can affect the management of SPS issues for horticultural exports, thus reducing the burden of the requirements linked to fumigation, but nonetheless creating the need to ensure Good Hygiene Practices on processing sites.

Linkages between agriculture and trade ministries tend to be weak. A number of DTIS reports point to ineffective coordination mechanisms at national level. In some cases this weakness affects the DTIS elaboration process itself. Good stakeholder coordination is important to raise the profile of SPS issues, facilitate public-private sector dialogue, help prevent overlapping mandates, make more efficient use of scarce resources and further integrate SPS issues into broader planning/budgetary frameworks and supply chains. In the DTISs where analysis of SPS institutional capacity is included, it is not always easy to determine whether the right or the most effective stakeholders have been part of the DTIS process itself.

The role of the private sector in the DTIS framework raises substantive and process-related considerations. Private sector involvement in the DTIS process may influence the cost-effectiveness of the SPS recommendations and the private sector may also fill a gap in the provision of SPS-related services. Private sector stakeholders are often consulted to varying degrees during the DTIS elaboration process and are included in EIF National Steering Committees (NSC). The private sector often has good understanding of feasibility of reforms, and may have extensive networks, resources and information that the public sector may not necessarily have.

SPS reforms and investment recommendations in the DTIS Action Matrix (AM) are weighed against other national trade-related priorities. AMs distil critical interventions across the entire trade policy, placing SPS priorities relative to other trade challenges at national level. Owing to the consultative and multi-sectoral approach to its development, the AM can be considered a valid and accurate planning tool to be used by government and donors alike. The general trend is that where there is substantial coverage of SPS matters in the report, the AM typically recommends some actions to address SPS challenges. To complement the high level (hence not detailed) nature of AMs, the inclusion of an SPS Action Plan in some DTISs can be considered as a good practice as they provide technical specifics on interventions that can make the AM more readily implementable.

In the twenty focus countries, ten countries have Tier 2 projects funded by the EIF under the two rubrics of agribusiness or standards that include SPS capacity-building components. There is no uniform or consistent way in which Technical Assistance (TA) is referenced in the DTIS, and where it is included, the information is often generic. Generally, there is a noticeable gap between the prioritization in the AM of actions aiming at upgrading SPS systems, and their subsequent implementation through donor-supported projects. One of the limiting factors for the implementation of the DTIS identified by interviewees is the lack of capacity among national stakeholders for project design. Mechanisms such as Cambodia's Trade Sector Wide Approach (SWAp) are effective in generating and monitoring TA.

Existing SPS capacity assessments such as those carried out using the Phytosanitary Capacity Evaluation (PCE) tool of the International Plant Protection Convention (IPPC) and the Performance of Veterinary Services (PVS) tool of the World Organisation for Animal Health (OIE) are rarely taken into account in DTISs. Considering these assessments in the DTIS processes or reports provide strategic advantages including prioritization, identification of minimum capacities required and technical accuracy. In addition, the comprehensive nature of these assessments provides context and enables a more complete view of the area and objective assessment and benchmarking, owing to their standardized format ensures.

This Study highlights a number of good practices and lessons learned to inform SPS analysis in future DTIS reports and processes. Relating to the manner, structure and presentation of SPS issues in the DTIS, the Study reveals, for example, that SPS matters could be addressed both in a self-standing section or chapter, as well as cross-referenced in commodity, trade facilitation or other relevant chapters to demonstrate all linkages and perspectives. The Study recommends ways to achieve a greater uniformity in the depth/degree of analysis of SPS situation depending on the level of priority that these issues have for the country. In addition, references to SPS issues should be concrete, focused and targeted, providing specific recommendations and linking them to the specific challenge they aim to address.

Observations noted from country experience with DTIS development and follow-up processes highlight the pressing need to ensure that existing SPS-related research, investment plans or other similar strategy documents, and particularly PCE and PVS are adequately reviewed. DTIS teams, guided by the EIF National Implementation Unit (NIU), would need to work closely with the relevant SPS institutions to enable access to such reports and documentation. Also, the Study provides suggestions on how to ensure adequate and active engagement of SPS expertise at all stages of the DTIS process.

It encourages DTIS teams and processes to make better use of the existing national SPS coordination mechanisms. These include, but may not be limited to, national SPS committees and national codex committees. The Study places emphasis on cost-effectiveness of the recommendations made in the DTIS. To this end, it suggests improved private sector engagement, consideration of existing regional arrangements that could potentially provide a framework for SPS cooperation at regional level and the pooling of SPS resources, and analysis of other national policies that may influence SPS-related recommendations. The Study also highlights good practice that can be replicated in future DTISs with regard to substantive and technical aspects.

For example, it recommends the combination of horizontal analysis of SPS challenges such as those related to institutional weakness with the vertical analysis of SPS bottlenecks along priority value chains. It recommends demonstrating in the DTIS report the effect of enhancing SPS capacity building on broader economic and development outcomes, and conversely, it points out the impact of SPS system failures in terms of monetary value of unrealized export potential or missed investment opportunities. The Study suggests that the DTIS report would offer insights on existing alternatives, and what steps can be taken to build on what already exists in an incremental fashion, particularly where advanced capacity is unlikely to be developed in the short and medium term. For example, examining the minimum capacity needed to achieve a given objective (e.g., increased exports) and providing alternative strategies (e.g., less stringent markets). The Study also recommends that DTIS should establish clearer linkages between SPS enhancement objectives and other sectoral, national or regional policies. Finally, the Study explores various ways to enhance the level of follow-up and implementation of the DTIS (for example, through the elaboration of SPS Action Plans, giving attention to the sequencing and prioritization of investments, and strengthening stakeholders' capacity in terms of project design).

A number of overarching recommendations can be gleaned from the findings on best practices and lessons learned. The Study looks into options to enhance national DTIS processes by improving the guidance provided at country level in terms of harnessing international support. It provides suggestions related to the update of the 2011 EIF Compendium and other DTIS-related guidance documents and recommends that the effectiveness of the relevant EIF-related structures at national level in engaging SPS stakeholders be reviewed.

The Study also urges EIF stakeholders to consider more systematic ways of engaging international organizations and bodies (that are not currently members or observers in the EIF) which play a leading role in elaborating international SPS standards and building national capacity for their implementation (including Codex, IPPC, FAO, OIE and WHO). Finally, the Study recommends avenues to use opportunities offered by the Standards and Trade Development Facility (STDF) such as using Project Preparation Grants (PPG) mechanisms to design sound projects, or utilizing STDF tools to prioritize investments in SPS capacity building (e.g., using the tool Prioritizing SPS Investments for Market Access (P-IMA)).



1. INTRODUCTION

1.1 Why the focus on SPS issues?

The EIF is an LDC specific partnership and programme based on the premise that boosting international trade will have correlative positive impacts on poverty reduction, private sector development and the stimulation of investments with a view to achieving the Sustainable Development Goals. The EIF's DTIS is designed to serve as a diagnostic and policy framework that identifies sectors of greatest growth or export potential, the constraints to the competitiveness of the sector and any supply chain weaknesses.

While the composition of agriculture in the overall trade portfolio of developing countries is mixed, in the forty-eight LDCs, agriculture is often the largest contributor to the economy. Growth in agriculture has a disproportionately (positive) effect on poverty reduction because more than half of the population of developing countries reside in rural areas³ and agriculture employs around 70% of the labour force in LDCs.⁴ While growth in agriculture boosts export earnings, export growth, in turn, contributes significantly to the growth of agriculture overall by generating cash income for modernizing farming practices.⁵ FAO statistics reveal that in more than forty developing countries, the proceeds from exports of a single agricultural commodity such as coffee, cocoa or sugar, account for more than 20% of total merchandise export revenue, and more than 50% of total agricultural export revenue.⁶

During the last 50 years, the share of raw traditional agricultural exports in total agricultural exports has declined significantly. Processed agricultural products are now the largest share of total agricultural exports, representing over 60% of the total. Increased demand for high-value products and high prices in international food markets have created opportunities for developing countries to generate economic growth. Despite this trend, LDCs' market share in agricultural exports has declined, partly owing to limited capacities to

progress on the value chain and to capitalize on the shift in demand from raw products to value-added products. The fresh fruits and vegetables segment is the only area where LDCs expanded their market share in the past two decades.⁴ LDC agricultural exports are still primarily composed of low value-added primary commodities, mostly in unprocessed form, thus sensitive to a wide range of SPS risks that require strict control measures to gain access to international markets. Although processing can help overcome certain SPS challenges, it does not eliminate the need for SPS risk management interventions, but rather changes the nature of SPS risks. For example, exporting dried instead of fresh mango from a country infested with a quarantine pest such the fruit fly will abolish the requirement to fumigate or heat-treat the fruit prior to export as a pest management measure, but then creates the need to ensure that hygienic requirements for dried mango are met (such as certification according to Hazard Analysis Critical Control Point (HACCP) standards). The increased production costs incurred by exporters to meet SPS requirements, coupled with the limited capacity of SPS authorities to ensure, verify and certify the safety of exported products, erode the competitiveness of LDCs, reducing thus their share in international trade. Repeated rejection of shipments for non-compliance with SPS requirements result in stricter scrutiny by importing countries, increased transaction costs, damaged reputation and a loss of confidence in the exporting country's competent authority.

Compliance with SPS requirements is a process of continuous improvement, which requires ongoing investment and capacity development in both the public and private sectors. The DTIS is essentially a tool to identify areas for reform and to assist countries and development partners to coordinate the delivery of trade-related TA in accordance with identified needs. As the name suggests, the DTIS focus is on areas that may (or do) impact trade at country level. While the overarching broad goals include poverty reduction and growth, the DTIS looks at trade-specific pathways to achieve these objectives. While SPS matters are the focus of this study, it is recognized that SPS management and challenges are not the sole impediment to trade expansion, nor necessarily even in agricultural commodities. Other challenges such as supply constraints, poor

³ World Bank, 2005. Global agricultural trade and developing countries / editor MA Aksoy, JC Beghin; FAO. World Agriculture: towards 2015-2030.

⁴ World Trade Report, 2014, World Trade Organization.

⁵ World Bank, 2005. Global agricultural trade and developing countries / editor MA Aksoy, John C. Beghin

⁶ FAO. World Agriculture: towards 2015-2030.

infrastructure and logistics, governance failures and even limited absorption capacity of saturated export markets constitute a hurdle to export expansion.

Looking at the SPS system in a holistic manner at the national level highlights other potential economic growth levers such as increased access to local and regional markets and the tourism sector. Food safety and quality assurance schemes are a pre-requisite to establish backward linkages between the tourism industry and local agri-food suppliers whereby local agri-food production is fuelled by the demand from the tourism sector and tourism is boosted by a convenient, predictable and safe food supply.

At present, over half of the EIF Trust Fund's (EIFTF) Tier 2 projects requested have been agriculture-related projects; hence the improvement of linkages between the DTIS and SPS processes is of high importance.⁷ All the DTIS reports of the 20 focus countries of this Study address some sub-sector of agriculture.

⁷ See <http://www.enhancedif.org/en/eif-portfolio/allocations-eif-countries>. At present, agriculture and agribusiness projects account for 60% of EIF Tier 2 projects (with a value of US\$53 million); Standards (which includes but is not exclusive to SPS projects) stands at 10% of Tier 2 projects (with a value of US\$8.8 million).

1.2 SPS issues and trade

In order to minimize the use of SPS measures as a disguised device that protects domestic products from foreign competition, the World Trade Organization (WTO) Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) requires that measures established by WTO Member governments to protect human, animal and plant life and health are consistent with obligations prohibiting unjustifiable discrimination in trade where the same SPS conditions prevail. SPS measures applied on agricultural and food products can facilitate trade by establishing minimum requirements to protect animal, plant or human health. These measures are intended to protect against, for example, food-borne diseases in food, as well as to prevent the introduction and spread of animal and plant pests and diseases (see Box 1). The latter impacts agricultural productivity (and the income of persons dependent on agriculture), as well as food security.

Box 1. Sanitary and Phytosanitary measures

Sanitary and Phytosanitary measures are defined as any measures applied:

- to protect human or animal life from risks arising from additives, contaminants, toxins or disease-causing organisms in their food;
- to protect human life from plant- or animal-carried diseases;
- to protect animal or plant life from pests, diseases, or disease-causing organisms; and
- to prevent or limit other damage to a country from the entry, establishment or spread of pests.

These include SPS measures taken to protect the health of fish and wild fauna, as well as of forests and wild flora.

SPS measures include all relevant laws, decrees, regulations, requirements and procedures including, inter alia, end product criteria; processes and production methods; testing, inspection, certification and approval procedures; quarantine treatments including relevant requirements associated with the transport of animals or plants, or with the materials necessary for their survival during transport; provisions on relevant statistical methods, sampling procedures and methods of risk assessment; and packaging and labelling requirements directly related to food safety.

Source: WTO SPS Agreement

The SPS Agreement requires SPS measures at country-level to be based on international standards, guidelines and other recommendations adopted by the Codex Alimentarius Commission (CAC) for food; for animal life and health, on the standards adopted by the OIE, and, for plant life and health, the standards of the IPPC. Any national requirements not based on these standards must be justifiable on the basis of scientific evidence of a risk, unless they are temporary actions to address emergency situations. Other provisions of the SPS Agreement require the recognition of equivalent means to protect health; selection of the least trade-restricting measure available; adapting requirements according to the actual pest- and disease-status of both the importing and exporting areas; and publication and advanced notification of all SPS measures.

It should be noted that while the focus of the SPS Agreement is on measures to control imports, the entire framework within a given area (plant health, animal health or food safety) is interconnected. More specifically, the capacities and infrastructure for testing, inspection, risk assessment, etc., in each area, are broadly applicable for testing different stages of the control system, whether for controlling domestic markets or imports.

1.3 Context, scope and objectives of this Study

This Study is jointly commissioned by the EIF and the STDF. The EIF supports LDCs to use trade as a vehicle for economic growth and poverty reduction (see Section 3.1 for an overview). The STDF is an established knowledge platform for information sharing and experience exchange, and for the identification and dissemination of good practice on SPS-related technical cooperation (see Section 9.2.7 for a look at the role of STDF). The Study draws on the expertise of both the EIF and STDF to maximize the impact of trade-related TA provided to LDCs.

This Study also contributes to STDF's efforts to enhance awareness in developing countries (notably at political and decision-making levels), about the importance of SPS compliance and the need for additional investments in this area. Prioritizing SPS needs in trade development agendas and Action Plans of LDCs, through an adequate consideration of SPS challenges in the DTIS, will assist in directing Aid for Trade flows towards SPS capacity building. This will enable agriculture-reliant LDCs to overcome SPS barriers and improve market access of their food and agriculture products, and reach their export promotion targets and reduce their trade deficits.

The DTIS implementation process offers numerous opportunities at several steps (from the Concept Note stage to the national validation workshop) to involve stakeholders in priority-setting. The study analyses the coverage of SPS issues within the DTIS reports and related processes and identifies avenues to improve engagement of SPS authorities and other relevant stakeholders, including international organizations, in this process with a view to ensuring an adequate, accurate and complete coverage of SPS issues in national trade agendas. More broadly it identifies good practices for future studies and their implementation.

The Study is framed from the perspective of the DTIS as a product, i.e., the actual study or reports, as well as the process by which DTIS reports are produced. To achieve its objectives, the Study will frame the analysis around a number of key issues (extracted from the Terms of Reference) included in Annex 1.

After outlining the methodology and addressing some limitations in the findings of this Study, a brief background is provided on the EIF and on the process for developing a DTIS report. In the examination of the substantive treatment of SPS matters in the report, the analysis is arranged thematically to facilitate a comparison of the 20 countries' DTIS and DTISUs, including information derived from the case studies. This analysis is followed by a discussion of the degree of uptake and implementation following a DTIS report and then looks at the degree of alignment with, and coordination of, TA. This Study concludes with recommendations that capture the key findings, applicable to the wide range of partners involved in these processes.



2. METHODOLOGY

2.1 Overview of methodology

Following a preliminary review of 43 DTIS reports and 12 DTISUs, twenty focus countries were selected for closer examination on the basis of the following criteria: (i) geographic spread; (ii) SPS relevance; (iii) implementing agency; (iv) composition of the DTIS team; (v) geographic context (maritime access, land-locked or island status, distinct sub-regions, etc.); and (vi) DTISU undertaken. The twenty focus countries selected, and for which DTIS reports and DTISUs were reviewed for this Study, are: Benin, Bhutan, Burkina Faso, Burundi, Cambodia, Chad, Ethiopia, Guinea-Bissau, Haiti, Lao PDR, Liberia, Madagascar, Malawi, Mozambique, Nepal, Senegal, Solomon Islands, Sudan, Tanzania and Vanuatu.

From the analysis of these twenty countries, three countries were chosen as the subject of case studies based on: representative regional distribution of LDCs (i.e., two in Africa and one in Asia); export potential in different SPS risk-sensitive products; recent positive EIF activity; and the range of SPS coverage in the DTIS or DTISU. These focus countries were Cambodia, Senegal and Tanzania. For each country case study, consultants were hired to provide research and gather data using specifically designed questionnaires. In-country visits⁸ took place in Cambodia and Tanzania in June and August 2014 respectively. The research in Senegal took place between June and September 2015. The desk review was completed by December 2015 on the DTIS reports and Updates available as at June 2015. The review was then followed by a presentation of initial findings with stakeholders.

In addition to the DTIS reports and DTISUs for the 20 countries, the Concept Notes (which set out the objectives, themes and scope of the DTIS), were reviewed to determine whether this document provided the justification for an extensive or limited focus on SPS matters.

The questionnaires in Annexes 2A and 2B of this Study were used as a starting point for discussions with international organizations on their respective roles in the DTIS process to date. As international organizations have had, and may have, different types of contributions to the DTIS process, for those bodies with a mandate specific to the area of SPS frameworks (e.g., FAO, OIE), interviews focused more on potential substantive inputs on SPS matters. Other organizations (e.g., WB), were interviewed to obtain the perspectives of the Main Implementing Entities (MIEs) responsible for carrying out the DTIS.

2.2 Limitations to the methodology and findings of this Study

DTIS reports do not follow a uniform structure and, aiming to be context-tailored, naturally do not contain a uniform selection of sectors and issues for analysis. This means that it is not straightforward to apply uniform search parameters or consistent benchmarks for analysis, as different contexts, resources and priorities render comparisons rather qualified.

Secondly, there are challenges in collecting information regarding the composition of the DTIS teams (some reports contain information on team members and their backgrounds, but not all), making it difficult to know whether, for example, an agriculture expert in a DTIS team is someone that also has knowledge of SPS matters.

More recent DTIS reports do not necessarily provide specifics on which institutions were consulted, and at what stage, nor their specific views. Thus, a judgment on whether the team members were thorough in their consultations or contacted the most appropriate authorities cannot accurately be made for many of the countries reviewed.

⁸ These were carried out by Mr Digby Gascoine.

Section 10 of this Study looks at the extent of follow-up of the DTIS, either through EIF Tier 2 projects or through TA projects funded by other donors. The EIF website contains some information on such projects, but this is neither systematic nor complete with respect to SPS specific support, and thus an assessment of whether there was successful uptake, financing or implementation subsequent to a DTIS is difficult to make.

Interviews with personnel of NIUs in countries where there was limited SPS treatment (to discover why SPS was not given high priority) is of little value given that many of the DTISs analyzed were undertaken at least five years prior to this Study; thus, finding the same staff that were involved in the process or with knowledge of the issue or with records as to why SPS was not prioritized, was a considerable challenge.

While conclusions can be readily made regarding whether a DTIS report has covered SPS issues poorly or adequately, conclusions are less clear-cut for those reports that fall in between the opposite extremes. Therefore, for those reports that have some coverage, but not a comprehensive treatment of SPS issues, the assessment is necessarily highly subjective and qualified by the specific expertise of the present author. For the countries where the present author has personal knowledge of the SPS framework, a more stringent assessment of the coverage of SPS issues is likely; for other countries in the Study where the author has less personal SPS systems experience, it may be taken for granted that the SPS coverage was accurate and sufficient on the basis of the DTIS report alone.



3. DTIS: A BACKGROUND

3.1 Enhanced Integrated Framework (EIF)

The DTIS is the cornerstone of EIF deployment in LDCs, designed as a country-driven process to integrate trade policy into national development strategies, to coordinate and leverage Aid for Trade (AfT), and more broadly, to assist LDCs in better participating in global trade.

The EIF is a unique global partnership dedicated to supporting the LDCs to use trade as a tool for economic growth and poverty reduction through job and income opportunities.

Working across 48 LDCs and three graduated LDCs in Africa, Asia, the Pacific and the Americas, activities are funded through an EIF multi-donor Trust Fund (EIFTF). The EIFTF provides funding, which kick-starts a process of trade capacity building and enables the leveraging of further funds to support priority projects from donors, agencies, the private sector and LDC governments. Twenty-four donors currently contribute to the EIFTF, and work together with eight international agencies⁹ and an increasing number of other partners. A Board consisting of donor, LDC and agency representatives oversees the operations of the EIF and reports on a transparent basis to the EIF Steering Committee – a body including all EIF stakeholders. The Executive Secretariat for the EIF (ES) for the EIF (based at the WTO) administers the programme in conjunction with UNOPS as the Trust Fund Manager for the programme.

Through a country-led approach the EIF aims to support the LDCs' own drive to:

- Identify and address the priority constraints to trade;
- Ensure trade directly supports the national development agenda;
- Set up institutional and coordination mechanisms to coordinate trade-related TA and multi-stakeholder dialogue (including private sector,

other ministries and civil society) on trade issues at the national level; and

- Trigger policy reform and mobilize additional financial and technical resources to address priority trade needs.

At national level, institutional and coordination mechanisms within the EIF framework include a NSC to provide a forum for discussing trade-related issues across the wide range of relevant stakeholders, as well as providing a forum for oversight of EIFTF projects. Draft Terms of Reference of NSCs, as well as guidance with respect to their composition, are found in the Compendium of EIF Documents. In general however, such committees include the relevant government ministries and agencies, private sector representative organizations and civil society, and where relevant a donor representative. At the technical level the EIF supports initiatives in the coordination of inter-ministerial/stakeholder efforts related to trade, as well as coordination of donor programming. In most countries, NIUs are envisaged as a central mechanism for the effective coordination of donor initiatives. Coordination amongst donor partners is enabled through the appointment of a representative for the donor community (the EIF Donor Facilitator, DF). It is increasingly encouraged that the DF plays its coordinating role within sector coordination mechanisms existing in the country.

An independent evaluation of the EIF carried out in 2014 found that in the LDCs where the EIF has been operating, progress has been made towards the objectives of the EIF. The second phase of the programme running from 2016 to 2022 will focus on building upon these results by ensuring there is sustained and maximum impact. The emphasis will also be on delivering results in the most effective and efficient way possible, delivering value for money. Additionally, a central focus of the second phase will be on the objectives of leveraging Aid for Trade resources while assuring that there are sustainable capacity improvements for all the LDCs at the end of the second phase period. Importantly, this new phase will include a focus on sharpening the DTIS and DTISUs as well as synchronizing them to strategic decision-making, e.g., review of National Development Plans or other key strategic

⁹ The International Monetary Fund (IMF); the International Trade Centre (ITC); the United Nations Conference on Trade and Development (UNCTAD); the United Nations Development Program (UNDP); the United Nations World Tourism Organization (UNWTO); the United Nations Industrial Development Organization (UNIDO); the World Trade Organization (WTO), and the World Bank.

documents such as the trade strategy, regional integration strategy, export strategy, etc.

In its work, the EIF is guided by its three core values that ensure results are sustainable, participatory and fully owned by all stakeholders:

- **Partnership approach:** The most effective way to use trade as a means to support growth and poverty reduction in the LDCs is by having the international community work together and coordinate better. The EIF's effectiveness is a reflection and combination of all partners' specific roles and responsibilities, together with mechanisms for mutual accountability;
- **Country ownership:** The EIF is defined by the understanding that successful trade capacity building can only occur if it is fully aligned with the priorities of LDC governments. All EIF structures and processes are designed around this principle; and
- **Results for sustainable impact:** The EIF has achieved good results in strengthening institutional capacities in the LDCs to manage their trade policy and AfT agenda. It will continue to build on these aspects by ensuring a sustainable impact. Best practices, cross country learning and innovative approaches will be harnessed toward this goal.

The strong acknowledgement of LDCs on the importance of the EIF demonstrates the success of these values in making genuine changes.

3.2 DTIS elaboration processes

This section looks at the stages involved in developing a DTIS until final validation of the report.¹⁰ Section 11 reviews existing EIF guidance documents on the DTIS elaboration and implementation and looks at the extent to which these documents promote good coverage of SPS issues. The documents available for guidance include the Compendium of EIF Documents: A User's Guide to the EIF, including the Pre-DTIS project template, DTIS Template, Tier 1 Project Guidelines and Tier 2 Project template. The EIF has been undertaking a review of the DTIS process as well as an update of the Compendium of EIF Documents with the process likely to result in new guidelines in 2017.

¹⁰ This section reviews the DTIS elaboration process at the time of writing; current/updated practices may be found on the EIF website, available at <http://www.enhancedif.org>

3.2.1 Tier 1 projects

Tier 1 projects fund DTIS reports (including pre-DTIS, DTIS and DTISUs) as well as institutional and policy support to EIF National Implementing Arrangements (NIAs).

Pre-DTIS preparations

Upon joining the EIF, the first project a country undertakes is limited to a budget of US\$50,000. The project lays the foundation upon which the whole trade mainstreaming and EIF process at country level will be built, and provides a structure aimed at ensuring the involvement of all stakeholders to enable full ownership.

DTIS requests

The country requests a DTIS, but the Main Implementing Entity (MIE) could be either the country itself, an EIF partner or observer agency, or another relevant entity. Traditionally, once the proposal has been approved and funding allocated, the MIE carries out a mission with the objective of establishing:

- working arrangements with the government;
- processes for recruiting the study team members;
- reviewing the Terms of Reference (TOR); and
- preparing the DTIS Concept Note.

The Concept Note indicates the chosen focus areas for the DTIS/DTISUs (see Section 8.2 for an examination of selected Concept Notes) and is a product of a consultation process of national stakeholders.

A full DTIS may receive up to US\$400,000 in funding, while DTISUs tend to be limited to US\$200,000 unless special circumstances justify additional resources up to the maximum of US\$400,000.¹¹ As most EIF Countries have now undertaken the first DTIS, many are looking to undertake DTISUs, which range from more comprehensive studies with a larger budget to more selective updates (perhaps focusing on a few key issues or sectors) with a smaller budget.

Development of DTIS report

Field missions of the international experts are carried out and a draft DTIS is developed over several months; see Box 2 for the key components of a traditional DTIS report.

¹¹ See the following webpage: <http://www.enhancedif.org/en/about/how-does-it-work>.

Box 2. Major components of a DTIS report

- (1) A review and analysis of the country's economic and export performance;
- (2) A description and assessment of the country's macroeconomic environment and investment climate;
- (3) A focus on the international policy environment and specific constraints that exports from the country face in international markets;
- (4) A focus on a small number of key labour-intensive sectors where the private sector can contribute to a significant expansion of output and exports and a good a priori case can be made that the poor stand to benefit either in terms of employment and/or lower prices; and
- (5) A set of policy reform priorities and required capacity-strengthening at the sectoral level to capitalize on the major opportunities identified in the strategy.

Extract from Solomon Islands DTIS 2009

The DTIS also includes an AM distilling and prioritizing specific policy reform interventions and capacity-strengthening activities which serve as the basis for policy reform and trade-related assistance. The draft report is circulated by the ES to the EIF Board for comments and a national validation workshop is held to review the findings. Increasingly, pre-validation workshops are held on a chapter or thematic basis and/or a donor workshop is sometimes held subsequent to this to discuss the AM. Countries are encouraged to adopt the AM findings in their medium-term programming and planning strategies. As the Tanzania and Cambodia examples show, the DTIS document as a whole may have such significance and endorsement at country level that it is adopted as a strategy document, i.e., a policy document of the country.

Implementation phase

The implementation phase supports the integration of trade priorities into national development strategies and assists with the identification of funding for key priorities. Tier 1 NIAs' projects can be for up to five years; however, projects of more than three years are approved in a phased manner. Support for Tier 1 NIAs' projects can reach US\$300,000 per year, i.e., up to US\$900,000 for the first three years of the project.¹² The second phase of the EIF will include

¹² See the following webpage: <http://www.enhancedif.org/en/about/how-does-it-work>.

'sustainability support' for eligible countries that have completed their Tier 1 project.

3.2.2 Tier 2 projects

The DTIS AM lays the basis for prioritizing and leveraging resources from national governments, bilateral and multilateral partners as well as Tier 2 projects from the EIFTF. The EIFTF finances priority small-scale projects to build trade-related capacities. All projects are country driven. Considerations for funding include those that are flagged as high priority, fill gaps in donor support, as well as those that may leverage additional finance or that have high catalytic potential. Thus, it is intended that the funding to implement the AM and the national trade and competitiveness policies and Action Plans be sought primarily from bilateral donors and other financing sources.¹³

3.3 Benefits of the EIF approach and structures

The EIF structure and methods provide a number of comparative advantages in carrying out DTIS reports, from its structures at national level to ensure country-led processes and outcomes, to the nature of the EIF itself as a platform (through the DTIS process) that brings together technical agencies and serves as a coordination mechanism for bilateral donors at country-level. A preliminary issue is whether there are better mechanisms or avenues than the DTIS process that address, and are possibly more conducive to, addressing SPS management issues under a trade umbrella.

A glimpse at the objectives and scope of the other mechanisms, for example the trade policy review (TPR) process of the WTO, indicates that this broad trade view is similar to the DTIS, but the distinguishing feature of the latter is an emphasis on context-specific prioritization, narrower focus and targeted recommendations.

The analysis in the next sections of this Study will demonstrate that the DTIS process holds a number of advantages for mainstreaming and highlighting specific issues in the overall trade and development agenda at country level, and highlights areas which could be further strengthened. The discussion below, frames these findings from an SPS perspective.

¹³ Ibid.



4. SPS COVERAGE IN THE DTIS: GENERAL

This section explores the degree of emphasis on SPS matters, and how well SPS issues are covered, in DTIS reports.

An overarching observation can be made that even where SPS issues are considered, many DTISs do not reflect an integrated, comprehensive or holistic view of all SPS areas – in other words, in most DTIS studies, some SPS areas receive specific targeted attention (typically plant or animal health) and others receive less (quite often food safety or aquatic animal health). None of the DTISs or DTISUs reviewed cover all aspects of the different SPS areas within a single report.

Notwithstanding, complete coverage of SPS matters may not be necessary or desirable in an exercise that seeks to determine priorities and strategic focus. Not all LDCs rely on agricultural exports to the same extent, and some may not export agricultural products in the near future in significant volumes. Thus, while SPS issues are important in agriculture-based LDCs, these concerns are not uniformly important everywhere.

4.1 Overview

SPS issues have been raised in almost all of the thirty DTIS reports and DTISUs in the twenty selected countries, although SPS received no (or very superficial) treatment in four reports.¹⁴

Some studies with SPS coverage contain only generic references or general descriptions of the importance of SPS for trade. While this is certainly insufficient for SPS authorities and private sector in terms of strengthening the SPS framework or boosting exports, there are still some benefits. These brief references enable a basic understanding of, and exposure to, SPS matters by non-SPS stakeholders (particularly trade authorities). It also

¹⁴ There was superficial treatment of SPS issues in Benin (DTIS 2005) even though SPS was identified as one of the key challenges; in Guinea-Bissau, in the context of rice and cashew chapters, phytosanitary and food safety issues were briefly flagged; and in Burkina Faso (DTIS 2007) and Burundi (DTIS 2003) SPS was very lightly canvassed, although the 2013 DTISU and 2012 DTISU respectively, contained more significant SPS coverage. Both the Concept Notes contain a reference to looking at "standards" for export and market access.

provides SPS stakeholders with the broader trade context affecting agricultural products, while these stakeholders may have previously adopted a narrow health or quality perspective only. Private sector participants can also benefit by understanding the basic regulatory environment surrounding their product, and may develop better strategies at company level to deal with bottlenecks that may take the Government a while to resolve.

The disadvantage of passing or superficial references to SPS matters is that it can also undermine the weight and significance of the issue particularly in a country that relies on agricultural exports. Superficial treatment implies limited importance, and less urgency. Passing references, i.e., a sentence or two on the challenges, importance or role of SPS measures in a country may also create the impression that absence of attention is a reflection of absence of a SPS challenge or weakness. This makes the DTIS exercise a missed opportunity to improve SPS compliance.

The more thorough the treatment of SPS issues in the DTIS, the more emphasis is placed on these issues during the follow-up. Details can be strategically used by SPS authorities to garner support or funding, either from their own Governments or from donors. Even where the DTIS report is not able to include all relevant details, references can be made to other documents, which provide such details.

While the precise reasons for non-extensive inclusion are difficult to categorically determine, this Study does analyze the Concept Notes and the information gathered through interviews with NIUs to determine possible reasons for this (see Section 8.2).

4.2 Absence of or limited SPS coverage in DTIS

Where DTIS reports do not contain extensive treatment of SPS issues, rarely is there a specific reason provided; the Malawi DTIS of 2004 is an exception to that observation. Rather, in most cases even where SPS treatment is limited, SPS issues are still identified as a concern and a challenge, but in very generic and broadly sweeping language.

The Burkina Faso DTIS 2007 provides an example of limited treatment of SPS concerns. The report extensively discusses agricultural production and identifies a number of initiatives designed to strengthen the potential for exports of livestock and animal products, cashew, shea nuts and butter, mango and green beans among other products. However, there are only minor references to animal diseases, and no references to plant pests and diseases. This suggests that more attention could have been paid to the potential impact of pests or diseases on agricultural productivity in general, or specifics such as the control of fruit-fly that affects mangos, aflatoxin concerns in cashews and whether there is sufficient phytosanitary capacity regarding inspection and certification to support sustained exports of these products. There was no SPS-specific expert on the DTIS team, but two agriculture specialists contributed to the relevant parts.

The Haiti DTIS 2013 also provides another illustration of limited treatment of SPS issues. There are essentially no specific recommendations regarding SPS matters, although it is recognized that there have been, and may continue to be, SPS problems inhibiting exports, e.g., fishery products to the European Union (EU), mango to the USA, and ochratoxins in coffee, to name a few challenge areas. SPS issues are touched upon in the context of a discussion of export potential of specific commodities. There was no SPS expert but there was an agriculture specialist.

It is worth pointing out that in some DTIS reports, SPS issues have been highlighted, receiving priority language and identification for action, even if this is not followed up with substantive treatment in the rest of the report. In Madagascar (DTIS 2003) and Senegal (DTIS 2003) SPS compliance is noted as being a major problem in the context of NTBs.

However, these reports do not follow through with specific recommendations or detailed treatment in a commensurate way to such language (the Senegal DTIS 2003 may be slightly better in this regard). In the Madagascar DTIS 2003, the analysis recognizes the importance of food exports (although the language mixes quality and technical standards together with health requirements), but does not include very specific recommendations to address related challenges.

4.3 Significant SPS coverage in DTIS reports and DTISUs

The Bhutan DTIS 2012 contains one of the most prominent treatments of SPS matters in its self-standing chapter which addresses: (i) the significance of technical regulations; (ii) the institutional and legal framework for SPS measures; (iii) institutional strengths and weaknesses; and (iv) priority areas for capacity building.

The Nepal 2010 DTISU extensively reviews the country's progress towards establishing infrastructure for SPS services for exporters. The SPS issue-focused chapter is organized into four sections: (i) a brief review of Nepalese SPS risk-sensitive exports, and the SPS constraints that may have led to market entry difficulties for such goods in potential markets; (ii) a review of the supporting structures and legislative framework intended to service SPS risk-sensitive exports, (iii) an analysis of commodity-specific issues for the priority sectors identified; and (iv) conclusions and recommended future actions.

The Sudan DTIS (2008) 'Animal, Plant, and Food Safety Standards' chapter looks at key SPS-related constraints before examining institutional capacities and the strategy for meeting SPS requirements. This DTIS also contains an Appendix, which gives a table summary of Customs and SPS recommendations and TA needs, in addition to an SPS issue-specific AM (see a detailed discussion of this AM in Section 4.6).

It is noteworthy that SPS issues were substantively considered in each of the DTIS phases in Cambodia, with a wide range of recommended actions that address both institutional issues and the individual requirements related to enhancing export opportunities for specific commodities. SPS experts were present in the DTIS teams for the different phases.

In Vanuatu's 2007 DTIS, there is an extensive discussion of SPS issues as a section of the chapter on trade facilitation. All three areas (food safety, plant health and animal health) are covered to varying degrees, in addition to a significant focus on the institutional framework for Vanuatu's SPS system.

The Lao PDR DTIS 2006 contains a chapter on SPS issues, while the DTISU 2012 includes a discussion of SPS standards in its chapter on trade facilitation. In both studies the consideration of SPS issues is extensive and detailed, and both studies benefitted

from the same SPS expert. The DTIS deals with food safety as well as animal and plant health, and considers import as well as export aspects (although the connection between food safety and tourism is not mentioned). The Lao PDR 2012 DTISU contains a holistic treatment of each component of SPS (although not so much on fisheries, perhaps as a result of the relatively limited weight of this sub-sector in the country).¹⁵ The DTISU provides the economic justification for investing in SPS; examines the institutional SPS framework; looks at the features of an effective SPS system; explores issues in SPS capacity building; provides illustrative experiences from the SPS capacity building; and outlines important health risks for crops, livestock and consumers resulting from weak SPS control capacities.

4.4 Difference in SPS coverage between first DTIS and DTISUs

This section looks at whether an absence or paucity of treatment of SPS matters from a first DTIS has been improved in subsequent DTISU reports.

It is also important to look at whether the DTISUs raise the same issues (i.e., whether challenges have been found to remain), and where a DTISU does not contain the same SPS focus areas or devotes less attention to SPS matters, whether an explanation has been provided as to why.

4.4.1 Trend: increased coverage of SPS matters in DTISUs

Out of eleven DTISUs, six have good to excellent SPS coverage compared to the previous DTIS, showing an increased interest in SPS and an improvement in how SPS matters are addressed. Interestingly, two DTISUs have gone the other way showing less coverage of SPS matters, without a clear rationale in the report itself as to why. However, in one of the latter cases (Sudan), the Concept Note for the DTISU indicated a need to focus specifically on the key SPS constraints identified in the first DTIS (2008), and thus not focus on all SPS matters raised in the previous DTIS. The Concept Note further instructed the

¹⁵ This Update looks in turn at the three SPS areas, SPS risks and challenges, quality infrastructure, related legislative and institutional framework, staff and funding, coordination, laboratories, export promotion and investment, private sector engagement, ICT for SPS services, SPS strategy, Government/development partners targeted recommendations, private sector focus, linkages with TBT, etc.

DTIS team to “assess the constraints and make recommendations for streamlining inspections,” and emphasized exports to Saudi Arabia. The DTISU adheres to these instructions.

There are a number of other possible reasons for a change in degree of focus between a DTIS and its DTISU, and even where SPS is considered, a change in focus areas. This could be as a result of changes in the export portfolio or commodities of focus that therefore raise different SPS issues (or for which SPS management is less or more important). The government may have considered that since the issues were extensively raised in the DTIS, the DTISU may be an opportunity to focus on other matters (either more pressing or not addressed in the previous DTIS). A change in the DTIS team or MIE may also mean that different areas are given focus. Also, governments may be giving increasing recognition to the importance of SPS issues in more recent years.

Nepal's limited SPS coverage in the DTIS 2003 was revamped extensively in the 2010 DTISU through its self-standing chapter on SPS matters. Senegal's 2013 DTISU was also a marked improvement on the 2003 DTIS vis-à-vis SPS coverage.

The Burkina Faso DTISU 2013 improved coverage from few mentions in the DTIS 2007 to a good treatment of SPS matters in a horticulture chapter, with good descriptions of the current situation and a focus on certification. An agriculture consultant was included on the team, although it is not clear how much SPS-specific expertise this person had. The Malawi 2014 DTISU also improved the almost absent SPS focus in the 2004 DTIS, with an examination of phytosanitary certificates issuance and the specific challenge relating to aflatoxin control. The Malawi 2014 DTISU also contains a clear demonstration of the linkage between the previous DTIS and follow through in the DTISU regarding aflatoxin-related challenges. While the DTIS 2004 contained a reference to challenges relating to contamination in groundnuts and paprika, the DTISU 2014 described action taken by the Ministry of Trade with support from USAID to build capacity regarding aflatoxin control for groundnuts, which was followed up by STDF work in providing funding to “take stock of existing government and donor-supported initiatives to address aflatoxin contamination in the country, address outstanding gaps and priorities, and promote effective coordination and synergies between the various stakeholders.”

In the Burundi DTIS 2003, SPS issues were originally very lightly canvassed, and although the 2012 DTISU contained more substantial SPS coverage, this cannot be described as significantly good treatment of SPS matters owing to its very generic nature. The DTIS 2003 AM proposed support for exports of fruits, vegetables and flowers, and action planning for removal of market access barriers in regional and developed country markets for horticultural products. The benefit of the DTISU was that it did create a clear linkage that assessed progress. The DTISU states that: (i) the DTIS AM was too long and its time frame overly ambitious, and (ii) progress with the implementation of the DTIS AM was uneven across sections, and that actions aimed at Burundi's export diversification (particularly including horticultural products) had achieved very limited results. The DTISU 2012 generally eschewed making commodity- or service-specific recommendations in favour of prioritizing initiatives to improve the business environment.

While the Tanzania 2005 DTIS contained excellent SPS matters coverage, the Tanzania Trade Integration Strategy (TTIS) 2014 contains few references. The language used in the TTIS 2014 was very generic in terms of recommendations ("*support SMEs with a focus on meeting SPS requirements*") and improvement of the "*investment environment for export*"). The areas for interventions identified for government institutional capacity include international technical standards and SPS policy and negotiations.

4.4.2 Explicit linkages between first DTIS and DTISU

It is important to know whether there have been any linkages or follow-up between a DTIS and its DTISU, i.e., whether the DTISU goes into detail regarding what has worked, the status of implementation since the first DTIS, or any recommendation or action items that are still unaddressed or have not been effective. Otherwise, this may mean that the work of the previous DTIS is somewhat 'lost' in this opportunity to revisit some of the issues that may persist. Some degree of continuity and follow through is necessary to track progress. One Team Leader explains that SPS matters addressed in the Cambodian TIS (2014-2018) and the Nepal TIS (2015) were influenced by a review of progress made against the SPS actions identified in the earlier DTIS (i.e., Cambodia DTISU (2007) and the Nepal DTISU (2010)).

In the forthcoming Nepal TIS (2015), which has not been reviewed under this Study, the Team Leader indicates that the review of progress between reports is made explicitly.

In some cases while there are details on follow-up and linkages between the DTIS and the DTISU in general terms, this linkage is not made in connection with SPS aspects. Chad's DTISU of 2013 demonstrates a clear linkage between the two DTIS processes in the livestock sector, as displayed in a table containing the originally recommended actions in one column and the state of play in a second column. However, none of this information concerning the livestock sector was SPS-related.

The Lao PDR 2012 DTISU looks at the previous 2006 SPS Action Plan and assesses what has been achieved and what is underway and identifies priority areas for capacity building 2013 – 2020 on the basis of this progress assessment.

Sudan's DTISU 2014 may be highlighted here for good practice. The DTISU presented scores on levels of achievement on the 2008 DTIS AM and has shaped the recommendations of the DTISU (and is extracted in detail in Section 4.6).

As institutional framework descriptions form the bulk of SPS matters treatment in DTIS (see Section 5.2), and given the sometimes ten-year gap between an earlier DTIS and its DTISU, an update of the institutional framework for SPS is useful, particularly those bodies that play a direct role in their linkage with trade (e.g., the national SPS committee), SPS authorities responsible for export certification, etc.

4.5 SPS coverage in Action Matrices

Countries need to establish a phased approach to meeting the totality of their needs, and thus a strategic and prioritized approach, particularly given limited national or donor resources, is critical. It is for this purpose that the AM, a standard feature of the DTIS report, is particularly useful.

It can be concluded from the analysis of DTIS reports and DTISUs that an extensive treatment of SPS matters in the body of the report does not always result in an equally extensive reflection of SPS issues in the final AM. However, the general trend is that where the report contains significant treatment of SPS, the AM will reflect at least a few priorities relating to SPS. For instance, in the Bhutan DTIS 2012, despite the considerable focus on SPS,

only a few areas were noted as high priority action¹⁶ in the AM. A similar observation can be made of the Solomon Islands DTIS 2009.

There are reasons for this. The AM is designed as a further prioritization of critical interventions across the entire spectrum of trade policy, which does not diminish the importance of SPS but rather, places its priority relative to other trade challenges at national level. This shows that despite having SPS issues prominently analyzed in the report, with the many benefits that this confers in terms of attention addressing SPS challenges, SPS-specific interventions listed in the AM nonetheless have to be weighed against other country level priorities and actions.

4.5.1 Highlighted features of Action Matrices

This section explores noteworthy features of AMs with a view to highlighting best practice trends and themes in the content and presentation of AMs. While the actual recommended interventions are subject to consultation and the views of the DTIS team, there are some standard approaches that enable the AM to be a useful tool, particularly with the aim of enhancing focus on SPS constraints and solutions.

Targeted, specific and measurable recommendations

Senegal's AM (Update 2013) is highlighted here because, despite using generic language (for example, the recommendation for the "improvement of [SPS] services provided to businesses"), it is still useful in its attempt to use indicators. While the use of indicators is a practice that is encouraged, a closer look at the formulation the indicator used that reads: "lowering the incidence of SPS measures applied on Senegalese exports", reveals that the latter lacks specificity and is difficult to measure. This highlights the need to improve results-based management skills in the context of SPS matters, for both the DTIS team and the national stakeholders.

¹⁶ For example, develop national capacity to identify, evaluate and manage biosecurity risks and for emergency planning (relates to staffing) facilitate preparation of Biosecurity Act, etc.; provide additional screening equipment for cargo and passengers' luggage at border entry points. Strengthen analytical capabilities for food safety; provide adequate scientific staff to maintain NFTL's international accreditation.

Estimate of cost of intervention

Nepal's Action Plan in the DTIS 2003 indicated an estimate of US\$12.5 million to introduce an improved SPS regime, although the report acknowledges this estimate may be conservative. Having such figures, even indicative, may give donors and the government alike an idea of the type of investment needed. Mozambique's DTIS of 2004 has a column for resources required (although this information was not provided for any of the interventions listed in the AM). The Chad DTIS AM questionably indicated that a budget estimate is "impossible".

A budget that is difficult to estimate may be indicative of feasibility and practicality of the recommendation. With an increased drive for costed Medium-Term Programmes (MTPs) to be developed following the DTIS studies, there should be greater opportunities for costing priority interventions.

Structure and presentation

The following tables illustrate the amount and type of information typically provided in AMs on SPS-related recommendations.

Table 1 extracts the column headings of different AMs in the tables below to demonstrate:

- the variation in the basic frameworks (i.e., column headings);
- the areas/themes in which the SPS areas are housed (i.e., row headings); and
- the range of specificity of the SPS actions recommended and the type of information included.

This enables the identification of the most effective structure from an SPS perspective, and the degree of specificity that is desirable for AMs. See Annex 3 for further extracts structure and column headings of AMs.

Table 1: Action Matrix structure and presentation

Source of extract	Action Matrix column title (AM format)
Sudan DTISU 2014	Identified constraint, Action, Responsibility, Monitoring indicator, Difficulty/Pay-off.
Sudan DTIS 2003	Action, Priority, Responsible entities, Expected duration of action, Indicative TA needs.
Solomon Islands DTIS 2009	Recommended action, Requirements (implement existing policy, change policy, TA), Agencies involved, Expected duration.
Nepal DTISU 2010	Main outcomes, Recommended actions, National partners' requirements (policy reform, institutional strengthening, TA), Possible time-frame, Recent or current TA).
Chad DTISU 2013	Operational objective, Results actions to take, Concerned stakeholders, Priority and estimated duration of implementation, Performance indicators, Estimated budget.

The AM of the Chad DTISU 2013 is noteworthy because it identifies cross-cutting and complementary areas for reform (even though the actual content may be rather too general).

The Nepal DTISU 2010 AM is fairly detailed and specific. It does, however, include production and environmental issues under the SPS umbrella, possibly not finding better 'housing' for these issues. The Nepal 2010 DTISU also includes a second part to its AM which contains S.W.O.T analyses and identifies specific actions for identified potential export sectors, 7 out of 19 of which have implications for SPS management (see Section 4.4.1). However, not all of these seven agri-food commodities have SPS-related actions in the AM.

Sudan's DTISU 2014 includes a scorecard of the previous DTIS 2008 AM. It is unique in this regard among the DTISUs under review. This scorecard re-states the actions recommended in the previous DTIS, provides a score rate (with a standardized scoring system to indicate level of implementation, the degree of impact achieved and the reasons for success or failure). This is an excellent method of gauging progress between the DTIS and would, thus, shape the recommendations under the DTISU.

4.6 SPS-specific Action Plans

Given the high-level nature of the DTIS, a useful option for more comprehensive planning for SPS interventions may be through a second-level Action Plan (which builds upon the principal AM of the DTIS or DTISU). One example is the SPS Action Plan for Lao PDR (2006).¹⁷

This was the first comprehensive assessment of SPS

capacities in Lao PDR. The document was prepared in parallel with the DTIS report with support of the WB. Action Plans are not, however, systematically developed as part of the DTIS to date.

Such an approach would include technically sound specifics on project formulation and costing, particularly if the beneficiary country has weak institutional capacity to develop these prioritized frameworks and assessments themselves (see Section 10.4 for further discussion on assistance in developing such Action Plans or follow-up projects). An SPS Action Plan would enable a specific and measurable framework to implement DTIS recommendations in this area. Such frameworks would correspond to the original matrix on which they are based but contain a greater degree of specificity and technical detail. Action Plans for specific sub-sector/commodity value chain strategies may allow for a more integrated assessment of the SPS priorities in view of the objectives of industrial development of that specific sub-sector.

Sudan's DTIS 2008 contains an AM in the DTIS report itself specifically dedicated to SPS recommendations (see Table 2 and Annex 4). Its structure is presented below to elucidate its specificity, which can be used as a starting point to elaborate a more technically detailed Action Plan structure for the future.

Where such Action Plans already exist, separately to the DTIS process, it is important that the DTIS team consult this document to ensure that SPS treatment in the DTIS report is in line with mainstream Action Plans in the sector, to ensure consistency, and to ensure that the DTIS does not repeat what has already been done.

¹⁷ Available at: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2007/02/07/000020439_20070207153807/Rendered/PDF/385790LA0white1y0Standards01PUBLIC1.pdf.

Table 2: Sudan DTIS 2008 SPS Action Matrix

Goal: Internationally Recognized SPS Program that increases Sudan Agricultural Trade								
Result 1: An Action Plan that strengthens the SPS Program								
Act #	Requirements	Who	Priority	Time	Resource	What	Indicator of success	Means of measurement
Result 2: Institutions responsible for SPS strengthened								
Act #	Requirements	Who	Priority	Time	Resource	What	Indicator of success	Means of measurement

Chapter 4 Summary

This chapter makes general observations regarding the degree of emphasis on SPS matters, and how well SPS issues are covered in DTISs and DTISUs. It explores reports where there is an absence of, or limited, SPS areas analysis and also those that contain significant coverage. It looks at trends in SPS issue references in AMs and distils key good practice features of AMs from an SPS perspective.

- SPS issues are important in agriculture-based LDCs, but these concerns are not uniformly important in every country (depending on the commodity or the sector’s export-readiness), nor are all challenges of equal importance in the different areas (plant or animal health or food safety).
- Although most DTISs include a reference to SPS matters, many DTISs do not reflect an integrated, comprehensive or holistic view of all SPS areas.
- DTISUs largely demonstrate improved SPS coverage, as compared to the first or previous DTIS. However, not all DTISUs provide clear linkages between the previous DTIS and the DTISU. The Sudan DTISU included a particularly useful scorecard of implementation of SPS issues identified in the initial DTIS.
- Of the studies reviewed, some of the more comprehensive analysis of SPS issues can be found in the Bhutan 2012, Nepal 2010, Sudan 2008, Vanuatu 2007, the Cambodia DTISs, Vanuatu 2007, and both Lao PDR DTISs.
- Broad or superficial references to SPS provide limited advantages compared to the risk of undermining the weight and significance of the sector by creating the impression that there are no other SPS challenges than those referred to.
- Details are strategically useful for the SPS authorities to garner support or funding, either from their own Governments or from donors.
- AMs distil critical interventions across the entire trade policy, placing SPS priorities relative to other trade challenges at national level. The general trend is that where there is good coverage of SPS matters in the report, the AM typically includes SPS area actions.
- SPS Action Plans that build on the AM appear to have been advantageously used in Lao PDR. They can provide technical details on needed interventions specific to the SPS area or constraint identified that are more technical in nature and may detail aspects relating to project formulation and costing.

Key conclusions and recommendations

- Clear linkages should be created between a prior DTIS and a DTISU to show progress and challenges, and to explain the change in the degree of focus on SPS matters. A scorecard, such as the one used in the Sudan DTISU may also be used to assess progress achieved in the implementation of the previous DTIS AM.
- Where the AM identifies multiple priority SPS areas and where resources allow, an SPS-specific Action Plan that adopts a holistic and integrated perspective should be developed to further detail actions required under the highlighted areas.
- The most useful AM formats include the following: Identified constraint, Priority, Action(s), Cross-cutting areas/linkages, Responsible actor, Indicator, Identified TA and Duration.



5. TREATMENT OF SPS ISSUES IN THE DTIS: SPECIFIC THEMES

This section analyzes the way in which SPS aspects have been addressed. It highlights commonly observed issues and clusters them into themes to facilitate the extraction of good practice and/or the formulation of caution that needs to be exercised while treating SPS issues in future DTIS.

5.1 Focus on exports

5.1.1 General trends in the reports

The pro-development emphasis of the DTIS encourages participation in the export value chain. Therefore, EIF guidance documents (further examined in Section 11) frequently direct DTIS teams towards the analysis of country's export or export potential. Likewise, guidance on SPS matters is directed at challenges in accessing export markets. As a result, DTIS reports tend to be focused on exports, and references to imports are typically restricted to licensing and duties.

Boosting exports of plant or animal commodities requires the understanding that this will only happen with safe trade. Inspection, testing and certification are important approaches used to ensure, and to demonstrate, the safety of the exported product. SPS certificates provide the necessary assurances to the importing partner that the product being traded complies with its requirements in accordance with the principles of the SPS Agreement. However, despite the importance of export certification, it is often neglected in the DTIS even where priority is placed on accessing markets.

One example of an exception, where export certification was in fact emphasized is the Chad DTIS 2006. Although giving very little narrative text to expand on this issue, it states that these "certificates are essential to the promotion of export trade in an agricultural country" and points to some deficiencies in the certification system in Chad. DTIS reports have referred to the certification process in varying degrees from passing references (such as the Mozambique DTIS 2004's recommendation to strengthen public institutions responsible for SPS-certification) to the Malawi DTISU 2014 (that focuses significantly on phytosanitary certification procedures, requirements and constraints).

Although the Burkina Faso DTISU 2013 lumps many different types of certifications together, providing minimal clarity on the differences, the DTISU provides an overview of certification institutions and processes with a view to highlighting the overlapping responsibilities on certificate issuances, lack of transparency and inefficiency of the system. The Vanuatu DTIS 2007, while failing to distinguish between private standards and SPS requirements, underscores that while "Looking across the range of SPS-related functions in Vanuatu, the picture is perhaps most confused – and requires the most attention – in the area of quality assurance and export certification."

Another point of note is that over and above importing country requirements, some countries impose additional testing or certifications on their exports. Highlighting these practices in the DTIS as unnecessarily burdensome on traders is useful.

5.1.2 Complexity: value chains and looking at SPS systems as a whole

The DTIS reports typically focus on promoting agricultural export commodities, but the agriculture sector has a broader role to play in terms of food security and industrialization. This makes the analysis of export promotion a multi-faceted and complex exercise. The link between interrelated national policies, specifically in relation to SPS matters is explored further in Section 5.9 of this Study.

The focus of the SPS Agreement is on how imports are controlled. The focus of DTISs to date has tended to be on enhancing the ability of LDCs to better access export markets (which apply SPS measures to ensure the safety of imported products). However, increased trade implies an increased flow of goods both into and out of the country, not only exports. Therefore, it may also be useful for the DTIS to examine the SPS measures and requirements the LDCs themselves impose on imports, as these may operate as Non-tariff Barriers (NTBs) that impact trade among LDCs. In addition, imports affect local agricultural productivity if pests, diseases, or invasive alien species are not adequately prevented from entry and establishment in a territory.

The introduction of the invasive fruit fly *Bactrocera invadens* into Mozambique has already caused a loss of more than US\$14 million in the infested areas, in particular due to: (i) loss of production (more than US\$440,000 per year), (ii) loss of markets and exports (more than US\$2 million per year) ; and (iii) suspension of planned investments (US\$11 million), which prevented the predicted growth in production and export of fruit and caused a potential revenue loss of US\$17.5 million per year.¹⁸

As noted in Section 1.2, capacities and infrastructure for testing, inspection, risk assessment, etc., are the building blocks of a single system that serves both import and export certification purposes. Thus, looking at the minimum capacity required to fulfil core SPS functions could serve as a starting point, which would enable both sustainability and prioritization. The DTIS should avoid addressing issues in isolation. When looking at quality infrastructure for achieving health objectives (e.g., testing laboratories, certification, etc.), which is done in varying degrees in some reports, where advanced capacity is unlikely to be developed in the short and medium term, the DTIS report could offer what alternatives are available and what steps can be taken to build on what exists.

As a general observation, the DTIS reports do not uniformly emphasize a value chain approach. Several interviewees believe that increased exports would result from the strengthening of the value chains at country level and by establishing the links between these value chains and the global supply chains. When this is combined with activities related to export promotion and linkages, e.g., branding, packaging, access to finance, etc., significant impact can occur at export level.

One Team Leader noted that in the case of the Nepal DTISU 2010, the relevant consultant had strong private sector experience and thus examined the agricultural commodities from a value chain perspective. For the Cambodia DTIS (2014-2018), the value chain approach was emphasized and thus included an examination of issues such as surveillance, introduction of Good Agriculture Practices (GAP), introduction of HACCP and other firm-level internationally accepted schemes, etc. The approach in these studies can be considered as a good practice as it combines the analysis of

¹⁸ Center for Studies in Agriculture and Natural Resource Management and United States Agency for International Development. Invasive Fruit Fly (*Bactrocera invadens*): Occurrence and Socio-Economic Impact In Mozambique, available at http://pdf.usaid.gov/pdf_docs/PA00KB45.pdf.

the SPS situation from a systemic point of view in a specifically dedicated chapter (see Section 5.5) with the analysis of these same issues from an export value-chain perspective point of view by incorporating SPS issues in export-focused chapters where relevant.

5.1.3 Measuring the improvement of SPS management through exports

Research shows that NTMs, and particularly SPS (and Technical Barriers to Trade (TBT)) issues, are among the primary constraints to trade¹⁹, thus providing evidence for the need for greater EIF focus on SPS matters. A recent UNCTAD study,²⁰ which looks at selected NTMs at the sectoral level, found that NTMs in the livestock and agricultural sectors impose import barriers equal to around a 26-27% tariff and that more than 20% arise from SPS (and TBT) measures in these sectors. Another study²¹ examined EU's SPS measures on 21 categories of agricultural goods and found that EU's SPS measures result in higher burdens on exporters from low income countries than those from other countries.

However, SPS and TBT limitations and other NTBs are only one side of the picture. A range of other factors affect the success of exports in food, animal or plant products besides SPS-related issues. Indeed, export success depends on the collective impact of many different factors, including entrepreneurship, input costs, efficient production, the competitive environment, exogenous influences (such as weather), exchange rates and terms of trade and tariffs, to name only some.

As a result, it is difficult to specifically attribute export successes directly to gains made in SPS management; much less the contribution of the DTIS process to such improved SPS management and increased exports. This is particularly important to take into account when developing indicators to measure the impact of DTIS-sourced interventions (for example in the AM). Sometimes there may be a situation where it is clear that some event has

¹⁹ See for example, UNCTAD, 2013. Non-Tariff Measures to Trade: Economic and Policy Issues for Developing Countries. Developing Countries in International Trade Studies.

²⁰ Cadot, O., et al. 2015. Deep Regional Integration and non-tariff Measures: A Methodology for Data Analysis. UNCTAD Study Series Policy Issues in International Trade and Commodities, No. 69, UNCTAD.

²¹ Murina, M., and A. Nicita. 2014. Trading with Conditions: the Effect of Sanitary and Phytosanitary Measures on Lower Income Countries' Agricultural Exports. Policy Issues in International Trade and Commodities - Research Study Series, No. 68, UNCTAD.

significantly enhanced market access. But in most cases, it takes time for positive cases of projects that are working well to mature into success stories (for example meeting EU requirements).

Indeed, this point is made expressly in the Burundi DTISU 2014 which indicates that several of the agricultural commodities' exporters receiving support from the EIF went out of business thereafter due to numerous regulatory obstacles, supply-side constraints, and channels to reduce transaction costs remaining unaddressed in the export diversification strategy. Thus although there is clear evidence that NTMs and particularly SPS and TBT issues are one of the most notable constraints to LDC trade, directly linking the contribution of prominent treatment of SPS challenges in the DTIS report to trade success can be a rather tenuous exercise.

Notwithstanding the foregoing, it may be possible to use some proxy indicators narrowly regarding improvements made in the SPS management framework, such as (i) evaluating the ease of using the SPS system by the private sector; and (ii) number of SPS-related border interceptions or rejections. Other indicators could be further explored to measure more accurately the contribution of an improved SPS framework to the overall trade success.

The above analysis confirms the commonly identified need for further support to countries in order to enhance their capacity to develop methodologies and measurable indicators for monitoring and evaluation.

5.2 Description of the institutional framework for SPS

5.2.1 SPS institutional set-up: general

Many DTIS reports contain general descriptions of key institutions involved in SPS. This is characteristic of all the studies that featured prominently SPS matters, but even in those that did not, a basic description of the core competent agencies and their basic mandate is usually included. This is of value in helping all stakeholders identify SPS competent authorities; and mainly with regard to delineation of inspection responsibilities – information that is not always otherwise available on websites or not easily accessed or understood in legislation.

The Vanuatu 2007 DTIS is highlighted as an example of DTIS that makes the supporting institutional set-

up a central focus in the area of SPS (see Box 3). One of the study's recommendations is to ensure that the trade policy developed following the DTIS "makes SPS architecture central".

Box 3. The importance of SPS architecture (Vanuatu)

In order for investments and developments in the agricultural sector to be effective there is a need to clarify the responsibilities in SPS-related areas in the first instance. This can be done through developing an agricultural export policy covering comparative advantages, trade preferences and markets, the various roles of government agencies and the private sector, programs and levels of support for specific sectors, and overall objectives.

Extract from Vanuatu DTIS 2007

However, in most reports, much of the institutional focus is descriptive and does not entail technical or substantive reform recommendations that are specific to such structure. This is therefore of little value and occupies 'space' in the report that could be better used to address SPS or other priorities. An alternative is to have an organogram as an Annex for the institutional structures or cross-referencing to other non-DTIS reports where such descriptions and information may be available.

5.2.2 Contact point for International SPS Standards Setting Bodies

Only seven DTIS and DTISUs²² make any reference to the relevant standard-setting contact point. The latter is responsible for disseminating information regarding relevant standards in the country and thus, relevant to questions of coordination and information sharing. While this is difficult to confirm, this may reveal that these focal points were not consulted during the DTIS process, and can be particularly regrettable where there is moderate to good treatment of SPS matters. The OIE delegate or the Codex or IPPC contact points typically have a good view of international standards and what is required to fulfill them at national level. Therefore when investigating SPS challenges in a given

²² Bhutan DTIS 2012; Burkina Faso DTISU 2013; Chad DTISU 2014; Lao PDR DTISU 2012; Malawi DTISU 2014; Nepal DTISU 2010; Solomon Islands DTIS 2009.

countries, it is generally a good idea that these focal points are consulted.

The Nepal DTISU 2010 provides an excellent example of detailed focus on contact points, with clear identification of the institutions, their legal status, mandate and how they are organized. The Chad DTISU 2013 provides another (albeit less detailed) example of reference to all three contact points, while typically others only refer to the Codex contact point.²³

5.2.3 Enquiry Points

Sixteen DTIS and DTISUs make reference to the SPS EP. In the Sudan 2014 DTISU, the AM identified the establishment of an SPS EP among other recommendations to address lack of awareness and institutional weaknesses in meeting SPS requirements of markets. Looking for a functioning SPS EP raises considerations relevant to: (i) process; and (ii) substance. In terms of process, the DTIS review of SPS aspects may begin with, or at some point make contact with, the EP in a country. Substantively, DTIS assessments should always touch upon the existence and/or importance of an EP, which is a requirement of the SPS Agreement, owing to its critical role in fulfilling Members' transparency obligations under this Agreement and in allowing them to fully benefit from their rights thereunder. This is particularly important for countries acceding to the WTO who will be establishing EPs, or those undergoing a Trade Policy Review where the functioning of the EPs will be reviewed. For examples on the types of documents to be provided by an EP, see Box 4. Looking at the operation of EPs may reveal certain aspects regarding how well the SPS information is received, shared and coordinated for trade purposes in the country generally.

Box 4. Types of documents to be provided by an Enquiry Point

- Any sanitary or phytosanitary regulations adopted or proposed within the country;
- Any control and inspection procedures, production and quarantine treatment, pesticide tolerance and food additive approval procedures, which are operated within the country;
- Risk assessment procedures, factors taken into consideration, as well as the determination of the appropriate level of sanitary or phytosanitary protection;
- The membership and participation of the country, or of relevant bodies within its territory, in international and regional sanitary and phytosanitary organizations and systems;
- The membership and participation of the country in bilateral and multilateral agreements and arrangements within the scope of the SPS Agreement (and related texts).

Source: https://www.wto.org/english/tratop_e/sps_e/sps_handbook_cbt_e/c3s1p1_e.htm

5.3 Accuracy, comprehensiveness and depth of discussion

5.3.1 Comprehensiveness and depth of discussion

The DTIS report is often a lengthy document containing analysis: DTIS reports or DTISUs are more than 100 pages long, sometimes more than 300 pages– the Chad DTISU 2013 is more than 700 pages. Different stakeholders may not be inclined to read the entire document in its entirety, which means that presenting SPS matters in a self-standing chapter or spread across different chapters, may have some significance.

Regardless, the DTIS reports have mitigated an otherwise extensive and broad focus through the selective targeting of key sectors, commodities or themes for analysis as well as through the diagnostic nature of the report.

²³ For example: Solomon Islands DTIS 2009; and Malawi DTISU 2014.

This may come at a price in some instances. To what extent can a specific issue, particularly given that those relating to SPS aspects are often technical, multifaceted and interrelated, be given appropriate coverage to identify a problem and provide a solution in the DTIS document which by nature is rather high-level and overarching?

High-level recommendations can be found in both the DTIS reports and the AMs. For example, in the Chad 2013 DTISU, the AM proposes “immediate action to comply with TBT and SPS agreements and accompany all diversification projects, support competitiveness and export development.” In the main body of the Madagascar 2003 DTIS, there is an isolated reference to the need for the Government to improve infrastructure and institutional development, including inter alia “[...](iv) strengthening capacity to meet international phytosanitary standards”. The same DTIS, in reference to the objectives of promoting visibility of the fishing sector and livestock farming, recommends, broadly: “Compliance of control authorities as well as private enterprises with rules ‘CE’ mark); pass[ing] legislation to establish an enquiry point for SPS measures.”

However, it is clear from the DTIS reports that have precise treatment (as well as from those that have light treatment of the SPS system but nonetheless pinpoint specific and targeted issues), that specificity is still possible in the macro view of a DTIS. The Tanzania DTIS 2005 demonstrates that the required technical detail is possible, even in a high-level document such as the DTIS.

A good example of this is the Malawi DTISU 2014, which zeroes in on aflatoxin challenges. The Ethiopia DTIS 2004 contains a special focus on the livestock sector and its recommended interventions are equally specific, for example “Develop adequate quarantine and disease-free zones for export in the long term, while creating an export zone with quarantine facilities in the meanwhile.”

The Ethiopia DTIS 2004 treatment of the meat and livestock sector is noteworthy for its specificity of recommendations as evidenced by the extract in Box 5.

Box 5. Ethiopia's meat and livestock sector challenges

For an adequate disease surveillance system, a much closer veterinary network at field level will be required. This public sector will not be able to provide all increased staffing and operating costs to develop an efficient network, and a public-private partnership will be required. However, current public sector policies, with significant subsidies for private good services, such as clinical interventions are not conducive for a vibrant private sector to develop. It is therefore recommended that revised policies be introduced, which would enable: (a) government progressively withdraw from the private good services; and (b) the institutional framework be put into place, which will allow private veterinarians to sub-contract, on a part-time basis, disease surveillance tasks. Technical Assistance and credit schemes for starting private operators, if not already covered under the existing arrangement with EU, could be put into place to support this component. The African Development Bank has already pledged support to strengthen regional diagnostic laboratories, and there is probably no more support required in that area. Based on the establishment of about 20 new practices per year, a total of about US\$500,000 per year would be required.

Extract from Ethiopia DTIS 2004

In the Benin DTIS 2005, there are isolated references to SPS issues and the extrapolation of an entire trend on the basis of one project. For example, the study indicates that “a mission from the EU in 2002 found that the fishing authority had failed to implement a Hazard Analysis Critical Control Point quality control system”, but without pointing to a broader context of what this means. It also continues to note that the “absence of accredited laboratories for sanitary analysis is a further obstacle to meeting European norms” again without providing sufficient contextual support for whether this has been isolated as the key issue in this area (thus warranting sole mention) or merely one of the concerns. There are no specific recommendations for this either.

5.3.2 Accuracy

In the Ethiopia DTIS 2004, an in-depth analysis of one sub-component of SPS (animal health) received very specific and detailed attention given the critical importance of meat and live animal exports to the country. However, this extensive analysis missed the coordination challenges between the agriculture and health ministries regarding meat inspections. This indicates that it may not be possible to ensure the absolute accuracy or completeness of the review, even where SPS issues are raised extensively and generally well, which raises the question on whether complete treatment is even feasible given the broad scope of a DTIS.²⁴

An examination of the DTIS studies reveals that in some cases, there is confusion in use of appropriate terminology regarding standards vs. requirements and quality vs. safety standards. In the case of Benin DTIS 2005, where SPS was not given much prominence, this confusion is evident in the following sentence: “the authority responsible for overseeing quality control is an important development given the rising importance of phytosanitary issues in global trade”.

Another example of confusion of terminology can be noted in the AM of Nepal’s DTISU 2010 where SPS matters are erroneously included under the rubric biosafety along with production and environmental issues. This may indicate a misunderstanding of basic concepts on the part of the DTIS team.

The Madagascar DTIS 2003 analysis of SPS issues in the fisheries sector is rather haphazard and does not always employ the most appropriate terminology. The following is an extract:

Quality control is a major issue in the shrimp sector. In 1996, aware of the threats facing the sector due to lack of effective controls over quality, GAPCM commissioned a study that concluded that it would cost US\$15 million to implement a suitable program to address the issue of quality control, 12 million of which would come from the private sector. Before that program could be implemented, the EU imposed a ban on shrimp imports from several countries, mainly for technical reasons, such as clarification of the responsible authority, nominated laboratories,

²⁴ In the Ethiopia DTIS 2004, phytosanitary issues are not referenced in the discussion of potential exports of plant products. There is no reference to food safety, including its relevance to the tourism sector. There is no reference to external pest/disease threats to Ethiopia’s agricultural productivity.

financing and human resources. GAPCM subsequently obtained financial assistance for its program, which was then implemented. The main result was that GAPCM’s members were able to start exporting again to the EU after being approved by the relevant Malagasy authorities. Malagasy quality standards for the sector now exceed those prevailing in the EU.

The success in terms of quality control is not found in other fishing industries. Seafood processing and aquaculture businesses have put into place and enforced their own HACCP systems, but this is not the case in the artisanal fishing industry, where many have had to turn to the local market. In the same way, other fishing commodities (crabs and lobster) caught by traditional methods do not satisfy the required phytosanitary standards conditions to enter into the European market and have therefore been diverted to other markets (Mauritius, and South Africa). The extension of the benefits of the shrimp industry to small-scale fishermen would require the harmonization of standards throughout the seafood industry through the HACCP’s procedures and increasing investment in equipment. [Emphasis added]

The Madagascar AMIs equally unfocused, referring to the “Compliance of control authorities as well as private enterprises with rules ... [on]... laboratory services, import control, zoosanitary controls, food security control.”

5.4 Linking SPS issues to broader economic outcomes and evidence-based advocacy

In some reports, there is explicit recognition of the contribution of SPS management to trade and such articulation is useful to demonstrate to non-SPS stakeholders the importance of investing in strengthening SPS capacity to boost trade, particularly in countries dependent on agricultural exports.

This importance was noted in Lao PDR’s DTISU 2012 which provided economic justifications for increased SPS investment in quantifiable terms; it states that the fiscal benefits of increased SPS capacity in Lao PDR are estimated to be as much as US\$10 million per year.

In the Sudan DTISU 2014, in the chapter on agriculture and focus on livestock, the narrative focuses on demonstrating livestock exports as one of the fastest non-oil export sectors, and indicates the constraints and needs of the sector in terms of quarantine, testing, vaccination and certification.

The analysis also includes a very specific look at these issues for sheep.

The Vanuatu DTIS 2007 expressly indicates that improving capacity in SPS-related areas should be “an area of priority under the [E]IF, particularly given that SPS aspects are one of the biggest barriers to trade”. The DTIS reiterates this call indicating that for investment and developments in the agricultural sector to be effective there is a need to clarify the responsibilities in the SPS-related architecture and responsibilities. Noteworthy is that the Vanuatu DTIS calls for the development of a national trade policy that addresses agricultural SPS standards.

Putting a quantifiable figure on the impact of SPS non-compliance further draws the attention of SPS subject-area stakeholders as well as a broader audience to the importance of SPS matters in absolute terms and relative to other sectors. A useful strategy in underscoring the consequences of failing to meet SPS requirements in economic and trade terms is to highlight cases where local products were banned; even more effective is to put this loss in quantifiable financial terms.

The Nepal DTISU 2010 undertaken by UNDP, highlights the impact of SPS-related trade incidents for Nepalese exports (see Box 6): “the approximate value of lost exports described ... exceeds US\$24 million. The calculated negative effects from all the bans have been assumed by the World Bank to equate to an economic loss equivalent to a third of the approximate value of exports lost ...over the five-year period used.”

Box 6. SPS-related bans and economic impact

Product	Type of ban	Period	Approx. value of exports lost
Ginger	India banned imports from Nepal due to plant quarantine issues and later due to trade policy	Disruption occurred in 2004	NRs 1.6 billion
Honey	EU and Norway banned imports from Nepal due to lack of monitoring programmes for pesticides and other residues	Banned since 2002/2003 through partially circumvented by one producer/exporter	NRs 76 million
Lentils	India banned imports from Nepal due to quality tests and fumigation requirements	For approximately one year in 2003/2004	For approximately one year in 2003/2004

Extract from Nepal DTIS Update 2010

The Mozambique DTIS 2004 included the example of a ban from South Africa, a key trading partner for the country, as a result of failure to comply with the South African request for pest risk status reports. The Vanuatu DTIS highlighted a 2001 kava ban as an SPS constraint (even though other non-SPS factors played a role) indicating the impact of the ban on the economy as “contributing to a decline in GDP growth. An estimated one-third decline in kava exports during 2002 cut a fifth from Vanuatu’s total yearly export earnings.”

While the DTIS is a highly context-specific document designed to respond to country challenges, it is nonetheless very useful where examples of how other countries have addressed similar challenges are provided. Bhutan’s DTIS 2012 provided an example of institutional arrangements in Chile and Uruguay that boosted inter-ministerial coordination and cooperation. In the Burkina Faso DTISU 2013, there was a description of how the initial costs of compliance with SPS are high but in the long-term lead to significant gains for the companies and their agricultural suppliers. The DTISU used the example of Kenya’s horticultural exports, where the construction of high-quality treatment facilities, investments in private laboratories and development of full traceability in the supply chain as well as other modernization efforts, resulted in net profit margins as high as 14% for packaged products and a fivefold increase in volume and value of exports from 1991 to 2003. Such an example shows in concrete terms: (i) the pre-existing situation; (ii) the steps taken; and (iii) the gains in trade or financial terms.

5.5 Form/context in which SPS issues were addressed

SPS matters are not presented uniformly in the DTIS reports; there is a large variation in where SPS issues are placed in the report and the form in which they are discussed. However, four key trends can be discerned:

- SPS matters are included in sectoral studies on agriculture or agricultural commodities²⁵;
- SPS issues are embedded as part of trade facilitation generally²⁶ or trade integration²⁷;
- SPS issues are raised in the context of chapters on NTBs or NTMs²⁸; and

²⁵ For example, Burkina Faso 2013 DTISU, Ethiopia (DTIS 2004), Guinea-Bissau (DTIS 2010).

²⁶ Lao PDR (DTIS 2012), Solomon Islands (DTIS 2009), Vanuatu (DTIS2007).

²⁷ Senegal (DTIS 2003).

²⁸ For example, Madagascar (DTIS 2003), Malawi (DTISU 2014), Nepal

- Where SPS matters receive sporadic mentions, this is often under a general rubric of market access challenges.²⁹

Eleven studies³⁰ have a self-standing chapter or significant sub-section of a chapter on SPS aspects. To highlight different features of these studies, the Nepal DTISU 2010 has an extensive self-standing SPS chapter, the Senegal DTISU 2013 gives much attention to SPS compliance in its chapter on horticulture, the Bhutan DTIS 2012 has an SPS chapter but also refers to these issues in its commodity-specific Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, and the Burkina Faso (DTISU 2014) housed the SPS analysis in a chapter on cross-cutting constraints to competitiveness.

Embedding SPS matters in broader trade facilitation or governance discussions is useful to see how weaknesses or strengths in other trade aspects affect or are affected by SPS considerations. Similarly, although from a different perspective, the Ethiopia DTIS (2004) focus on meat exports demonstrates how a commodity-specific approach can underscore in addition to SPS technical constraints, SPS-related procedural obstacles that undermine SPS service delivery, including cumbersome documentation requirements and high levels of service charges and high transaction costs.

Although having an extensive self-standing SPS chapter makes it easy for SPS stakeholders to see the analysis relevant to them more clearly, having an integrated and holistic view is perhaps more beneficial to both SPS and non-SPS stakeholders who more often than not (as evidenced by challenges relating to coordination, see Section 7.1 of this study) have a silo view of their sector and activities. Allowing this integrated view of how SPS needs are related to others under the rubric of customs, border procedures and transport or the general business environment allows a better understanding of the limitations of the SPS area.

Senegal’s DTISU 2013 provides a good overview of SPS issues in its chapter on horticulture, identifying specific requirements to be met, the current status of exporters in meeting those requirements, and the needs to be addressed. This is given context by

(DTISU 2013); Sudan (DTISU 2014).

²⁹ Burundi (DTIS 2003 and DTISU 2012), Chad (DTIS 2005), Malawi (DTIS 2004).

³⁰ Bhutan 2012, Burkina Faso (DTISU 2014), Cambodia DTIS 2007 and CTIS 2014, Lao PDR (DTIS 2012), Nepal (DTISU 2010), Senegal (DTISU 2013), Sudan (DTIS 2008), Solomon Islands (DTIS 2009), Tanzania (2005) and Vanuatu (2007).

referring to production limitations and infrastructure and logistic challenges that have a bearing on SPS compliance, and demonstrates that these constraints push companies to 'internalize' all activities relating to production, processing and export of horticultural products. The analysis raises implicitly the question of the inequality of stakeholders vis-à-vis the effects of SPS concerns, e.g., smallholders are unlikely to cope with the costs and constraints of SPS compliance while big exporters may be able to.

Out of the nine DTIS and DTISUs that have incorporated a brief SWOT analysis structure, none have used them exclusively for SPS issues. Tanzania DTIS 2005 used a SWOT analysis specifically for floriculture and horticulture exports to Europe, the Nepal 2010 Update contained SWOT analyses of 19 potential export sectors (of which six are agricultural commodities and one is on food) and Cambodia's TIS 2014 uses a SWOT framework to conclude each of its sectoral studies, which include five agri-food commodities.

5.6 Structure/ presentation of SPS analysis and recommendations

A lack of uniformity in structure or presentation of a DTIS report is accounted for in part by the need to have flexibility to design the reports in a manner that is responsive to the unique needs and issues at country level. There are, however, differences in the format and structure of reports that are not necessary for this goal, and thus warrant close examination. Some studies identify challenges and then provide recommendations in a separate section or chapter, some do so only in the AM, others not at all.

The Vanuatu 2007 DTIS highlights that "there are a number of pressing (SPS) needs" and proceeds to list them. The subsequent paragraph begins "Drawing on these conclusions, the foremost needs for Vanuatu in the SPS area are [...]" and lists what they are.

The Malawi DTISU 2014 provides a basic snapshot of the existing situation, then states the related challenges, being efficient with space and information conveyed. The recommendations are not found immediately after thus diminishing the impact of how the challenges are presented (see Box 7 for an extract of this presentation).

Box 7. Malawi: SPS discussion structure

The TSD operates laboratories for general and food chemistry, petrochemicals, pesticides residue, microbiology, radiochemistry, engineering and materials (Gama 2011). The laboratories provide their testing services for other MBS departments (e.g., the product certification schemes of the QASD) or on demand of customers. Laboratories of the TSD are not accredited to international standards. Foreign countries, except for some countries within SADC, do not accept certificates or test reports issued by MBS. Therefore, Malawian exporters need to use foreign laboratories which are accredited to international standards in order to show compliance with foreign buyer requirements. Exporting companies have to bear the extra export costs.

Extract from Malawi DTIS Update 2014

The Tanzania DTIS 2005 has a distinct chapter on SPS matters which concludes with a final section on recommendations that brings together the foregoing analysis through bullet point specifics (each supported with a short paragraph of text, see Box 8).

Box 8. Tanzania: SPS discussion structure

The enhancement of SPS management capacity should be incorporated into broader efforts to build the competitiveness of agricultural and food exports and to enhance the productivity of the agricultural and food processing sectors. This emphasizes again the need for SPS management capacity-building to be viewed strategically and as an integral element of efforts to utilize trade in agricultural and food products as a means to agricultural and rural development and poverty alleviation. In several fields—including in horticulture/floriculture, for animal products, etc.—complementary measures will also be needed to enhance international competitiveness.

Extract from Tanzania DTIS 2005

Notwithstanding, these examples have been highlighted as good examples of clear structure/ treatment that will enable greater accessibility of the information. These illustrations also demonstrate the benefits in clarity of including the recommendations immediately after stating the problem/constraints or including such proposals in close physical proximity

to the section where the constraints are stated (i.e., at the end of the paragraph). Indeed, this view is supported by some Team Leaders who see that an SPS DTIS chapter consists of two parts: an assessment of the status quo and an identification of needs for capacity building, both of which are critical aspects of interviews with government stakeholders.

5.7 SPS coverage relating to aquatic animals and products

The DTIS has typically neglected sanitary issues where the aquatic animals sector (fisheries and aquaculture) is given close examination, focusing instead on sector governance and management.

Out of 12 DTIS and DTISUs that look fairly closely at fisheries, and with regard to SPS issues, five studies contain very short references³¹; five canvass SPS issues lightly³²; and only one addresses SPS issues extensively (Tanzania DTIS 2005). These references are rarely in the self-standing fisheries sector chapters, but instead included where other SPS issues are addressed (except the Tanzania DTIS 2005). When sanitary challenges faced by the fisheries sector are covered, they relate primarily to food safety and not at all to fish health, as is the case with Tanzania DTIS 2005. Three studies among those reviewed made references to trade in live fish but did not refer to fish health matters either.³³ Notwithstanding, the following examples have been highlighted as good examples of clear structure/treatment that will enable greater accessibility of the information. These illustrations will demonstrate the benefits in clarity of including the recommendations immediately after stating the problem/constraints or including such proposals in close physical proximity to the section where the constraints are stated (i.e., at the end of the paragraph). Indeed, this view is supported by some Team Leaders who see that an SPS DTIS chapter consists of two parts: an assessment of the status quo and an identification of needs for capacity building, both of which are critical aspects of interviews with government stakeholders.

³¹ Benin (DTIS 2005), Burundi (DTISU 2012), Chad (DTISU 2013), Cambodia (DTIS 2001), Guinea-Bissau (DTIS, 2010).

³² Haiti (DTIS 2013), Liberia (DTIS 2008), Madagascar (DTIS 2003), Senegal (DTIS 2003) Solomon Islands (DTIS 2009), Vanuatu (DTIS 2007).

³³ Vanuatu (DTIS 2007); Malawi (DTISU 2014); Cambodia (TIS 2014-2018).

Box 9 below shows how the Mozambique DTIS 2003 provides an example of passing references to SPS issues in the discussion related to the fisheries sector, and despite accurate terminology, is rather too generic to be useful.

Box 9. Mozambique DTIS 2003: fisheries and SPS

For export products especially, processing facilities must meet stringent quality and health standards. Poor sanitary conditions, lack of secure and health water supplies, poor personal hygiene, tropical climates, insects and rodents increase hazard levels and make certification levels difficult for competent authorities at best. [...] Increasing investment in processing facilities can help increase Mozambique's exports of fresh fish but only if such processing is economically viable.

The Tanzania DTIS 2005 on the other hand, has a section on SPS standards for fish in the fisheries chapter, dedicating five pages to this topic. Given that most fish exports target the EU market, this section covers EU legislation on fish requirements, EU bans on Tanzanian fish products, the Tanzanian regulatory framework for fisheries inspection and quality control, and laboratory and infrastructure for landing-sites investment. SPS issues relating to fish are also raised in the study's agriculture chapter, which highlights explicitly that SPS is a key issue relating to fish exports. Its Action Plan has few, but focused and specific recommendations: "Further strengthen fisheries inspection capacity; Complete the upgrade of basic infrastructure (cold store, electricity, etc.) for the 54 designated landing beaches; Strengthen DFMR capacity to enable Zanzibar to obtain EU export market code for fish products (that is, train DFMR staff to meet EU inspection standards and familiarize with HACCP Manual)."

Although the analysis part of the DTIS text of other studies that look at fisheries may not contain extensive detail on SPS requirements, the AM may nonetheless highlight the issue as one for priority action. This is the case for Benin DTIS 2005, which seeks to provide "technical assistance to farmers in quality control, norms, standards marketing, credit, inputs, promotion of new products [...] especially for shrimps and fishery products."

Another example is the Cambodia DTIS 2001, which although not mentioning hygiene requirements in the analysis, refers to building private sector capacity for meeting health standards for fish exports to developed country markets.

5.8.SPS issues in non-agri-food sectors

DTIS reports frequently discuss the tourism sector in LDCs. Although the link may not be immediately apparent, there are SPS issues that are relevant to this discussion, specifically relating to food safety and invasive alien species. Thus, this section explores how these matters are addressed in the report.

5.8.1 Food safety and tourism

Ensuring food safety and quality for public health is a core element of a country's SPS framework, critical to food security and plays a role in poverty alleviation. While the way food safety matters have been addressed in the DTISs are canvassed in different sections throughout this Study, this section focuses on an area where this issue may not have been obvious to a team member tasked with analyzing the tourism sector. This discussion is particularly important where LDCs are reliant on tourism as a major source of GDP. Where DTIS reports include a chapter or sub-chapter on tourism, i.e., in 15 studies³⁴ out of the countries reviewed, only the Lao PDR DTISU 2012 and the Bhutan DTIS 2012 mention food safety expressly. As well as for imported and exported products, food safety emphasis on marketing and trade strategies for local food and agricultural products has been largely overlooked.

The Bhutan DTIS 2012 recognizes the tourism sector's role as a high earner in the country's GDP and highlights the possibility of strengthening local supply chains to source food for hotels locally. The AM recommends assessing the demand from hotels, restaurants; review handling, packaging and processing for more safe products; assessing the market environment for strengthening market linkages; and preparing feasibility studies for pickles, jams and smoked fish.

³⁴ Benin DTIS 2005, Bhutan DTIS 2012, Burkina Faso DTISU 2014, Burundi DTIS 2003, Cambodia DTIS 2001, Chad DTISU 2014, Ethiopia DTIS 2004, Guinea-Bissau DTIS 2008, Haiti DTIS 2013, Lao PDR DTISU 2012, Madagascar DTIS 2003, Malawi DTIS 2004, Mozambique DTIS 2004, Senegal DTIS 2003, Solomon Islands DTIS 2009, Tanzania DTIS 2005 and Vanuatu DTIS 2007.

In the Tanzania DTIS 2005 discussion of backward linkages (see Box 10), quality is identified as the primary consideration, although food safety (hygiene conditions) is mentioned as well.

Box 10. Food quality, hygiene and tourism

The issue of low quality pervades through many of the backward linkages of the tourism businesses, from agriculture to fishery to dry goods. Most of the fruits and vegetables used in tourism businesses are supplied locally. However, the local markets in Dar and Arusha which supply the tourism businesses lack hygiene conditions. The meat industry has also poor quality standards, and tourism businesses have indicated they would source more of their meats locally if they can get the quality and quantities they need. Local beef is of low quality because farmers do not manage animals professionally, and meat houses are not graded. There is a lack of standards on farms as well as storage standards for meats. There is also poor monitoring of sources of meat in the supply chain. The quality of locally produced chicken is low because of the quality of feed used. Because of poor quality as well as insufficient quantities, tourism businesses import chickens from South Africa, Belgium, Mauritius, and Kenya to meet the demand. The poor quality of chicken feed is due to the excessive use of dagga fish in the fish meal for feeding chickens, as well as the contamination of local feed with salmonella because fish ingredients are not decontaminated, and processes are not monitored. Locally produced dry goods such as spices, pulses, and beans are of poor quality—they are poorly packed and handled unhygienically. Most (70-80%) of the dry goods and non-perishable foods used in tourism businesses are imported.

Extract from Tanzania DTIS 2005

The Action Plan of the same report recommends (under a food safety rubric), the implementation of a comprehensive programme of food safety controls in “hotels/restaurants servicing tourists via awareness-raising, certification, surveillance, auditing, etc., [...] and extending the implementation framework for monitoring TBS standards in agriculture and fishery supply chains to include local vendors.”

The Burkina Faso and Chad DTISUs of 2012 and 2014 respectively, mention the need to improve hygienic practices generally, without specifying food safety risks in particular.

Six reports³⁵ mention backward linkages (local sourcing of goods) and discuss with varying degree, the links between agricultural products (e.g., handicrafts, not only food), and tourism. The Solomon Islands DTIS 2009 points out that the supply of domestically produced food, including meat to local hotels will be an important factor to serve the expected increase in tourist numbers. The study references Mason and Milne (2007) when pointing out: “Evidence shows that enhanced linkage to fruit and vegetable production will, for example, (i) encourage import substitution; (ii) diversify exports; (iii) encourage smallholder involvement and (iv) stimulate the private sector provision of extension services.” The Vanuatu DTIS 2007 (see Box 11 below) illustrates the need for research on linkage structures and leakage associated with the tourism sector.

Box 11. Linkages between agriculture and tourism

Research [...] shows that leakages from the tourism sector are relatively high [...]. Local linkages may have increased a little in recent years—driven in part by the increased cost of transporting goods from overseas and an improvement in the reliability of local food suppliers. Tasks should include: Creat[ing] innovative approaches to sustaining and developing linkages— i.e., competition for the preparation of local food in ways that meet tourist demands; and Identify[ing] ways to build upon the tourism sales potential stemming from coconut oil, and coffee (such as Vanuatu’s Tanna coffee).

Extract from Vanuatu DTIS 2007

5.8.2 Timber trade and phytosanitary measures

DTIS reports do not typically address pest or disease considerations in analyses referring to wood or timber products; analyses focus on tariffs, volume and permits. For example, the Liberia DTIS (2008) and the Solomon Islands DTIS (2009) extensively look at the forestry sector but do not

look at connected pest or disease issues, including when discussing matters related to raw or processed materials. The Lao PDR DTISU (2012) does make reference to phytosanitary requirements for wood packaging material.

5.8.3 Invasive alien species and productive capacity

Of the twenty country reports reviewed, DTISs do not address concerns regarding import-introduced invasive alien species, which can be devastating for countries dependent on biodiversity, ecosystem and landscape protection for their tourism. The impact of these introductions is not considered with regard to production of horticulture, animal resources nor forestry products. Invasive alien species are often controlled by the country’s quarantine services, but this role or concern is not mentioned in any of the DTISs that cover tourism (and ecosystem protection).

5.9 Policy coherence

In broad terms, the DTIS reports do not explicitly link SPS issues and management with agricultural, industrial or investment policies and strategies on which they may be dependent, influenced or considerably impacted. Any recommendations that are made in the DTISs that challenge or move away from (or endorse) policies in national strategies should be expressly identified to reflect that consideration has been taken of these overarching instruments.

As an illustration, regional trends indicate the influence of industrial policies for example, on agriculture; the SADC Industrial Policy Development Framework, highlights that “A key challenge for SADC as a region is to move off an economic growth path built on consumption and commodity exports onto a more sustainable developmental path based on industrialization.” The SADC policy document refers to the identification of nine priority sectors for focused industrialization, the most relevant for present purposes being: agro-food processing; fisheries; and wood and wood products, based on their comparative and competitive advantages in contributing to the development of regional value chains and their linkages with global supply chains. This has considerable impact on the nature of SPS risks on exports, which are altered as a result of greater processing of the product and which may require new competencies.

³⁵ Bhutan DTIS 2012, Burundi DTIS 2003, Lao PDR DTISU 2012, Solomon Islands DTIS 2009, Tanzania DTIS 2005 and Vanuatu DTIS 2007.

Furthermore, SPS issues may be increasingly related to supporting (regional) trade of processed products, or supporting priority commodities. Thus, it is important that the recommendations relating to SPS:

- respond to agricultural trade development objectives that are shared across sectors;
- take into considerations priorities for industrialization and structural transformation; and
- relate to priority sub-sector/commodity value chains that are recognized as priorities by both agriculture and trade stakeholders.

The issue of alignment with regional and sub-regional trade and agriculture policies is further examined in the next section.

5.10 References to Technical Assistance (TA)

There is no uniform or systematic way in which TA is referenced in the DTIS reports. Reference to ongoing or future donor-funded TA may be found in the AMs of the DTIS documents.

The Senegal DTIS 2003 provides an example of how TA is sometimes embedded in the analysis (e.g., “The cost of fumigation is very high, especially for small producers, and there is very little technical assistance provided to Senegal at the moment, making it very difficult for Senegal to export fruits and vegetables to the U.S. market”), although it should be pointed out that this DTIS does have a section on TA needs for meeting SPS requirements.

The Solomon Islands DTIS 2009 addresses the coordinated delivery of trade-related TA in its agriculture chapter (see Box 12). It contains an extensive treatment of current donor funding for agriculture generally – the information is not SPS-specific.

Box 12. Coordinated delivery of TA

Current donor funding to the [Agriculture Agro-processing and Livestock] AAL falls within economic affairs support, which represents 18% of total development assistance. The AAL sector is being supported primarily, through projects and programs initiated by AusAID, the EU and the World Bank.

Most donor-funded programs [...] with a current impact on the AAL address rural development as a whole rather than the specific needs of farmers and traders in the sector. As a general comment the various programs need more coordination and linkage to AAL development initiatives, recognizing that rural development is overwhelmingly agricultural in nature.

Extract from the Solomon Islands DTIS 2009

In many DTISs or DTISUs, there are sporadic references with limited information to large donor-supported projects and programmes in the area of SPS. A case in point is Haiti’s DTIS 2013 which notes that SPS capacity building is supported by an EU project, without much other detail.

The DTIS reports reviewed demonstrate that even when trade-related TA is referenced, it is generic for the most part and does not provide specific information on the scope, nor the specific objective of the assistance provided. If information were provided, either in periodic reports or in a repository collected by the NIU, which detail the basic parameters of TA projects, this would enable an identification of what is already covered and what gaps remain in order to establish funding priorities. SPS-specific Action Plans are particularly useful in this regard and provide more technical and substantive direction for both the government and donors to map out sector priorities.

Chapter 5 Summary

This chapter brings together commonly observed issues that may be used to distil recommendations (either good practice or cautions) for future treatment of SPS in DTISs. It looks at a range of issues including: export certification processes and systems; how SPS matters can be addressed through a systems approach or value chain approach; an appropriate depth of discussions in a DTIS report; how SPS issues can be linked to broader economic outcomes; the form in which SPS issues are typically addressed in DTIS reports; the manner in which SPS issues analysis is presented in the reports; the coverage of SPS issues in the fisheries sector and non-agri-food sectors; the coherence of SPS policy with other agricultural, industrial, investment and trade policies more broadly; and how TA is covered in reports.

- DTISs typically focus on exports, but when addressing SPS issues, export certification is not given particular focus. The import dimension of SPS systems tends to be neglected.
- Although value chain analysis can be highly effective in demonstrating the role of SPS capacity this kind of approach is not uniformly adopted.
- It is difficult to attribute export successes directly to gains made in SPS management as a result of implementation of DTIS recommendations (a range of factors affect export success, including how supply-side constraints are overcome and how demand factors are addressed).
- DTISs contain general descriptions of key institutions involved in SPS, which is useful to identify SPS competent authorities to a trade audience. However, most descriptions are generic and do not add significant value for the 'space' they occupy in a document that is designed to be targeted and strategic.
- Many DTISs do not make reference to the relevant standard-setting contact point. Some DTIS reports do, however, refer to the SPS EPs. Both these types of institutions are critical for information dissemination.
- Specificity is still possible despite the high-level nature of DTISs, judging from the DTIS reports that have detailed SPS issues analyses, as well as those that have light treatment of SPS matters but nonetheless pinpoint specific and targeted issues.
- In a few DTISs, there is evidence of confusion in the use of terminology regarding SPS standards, requirements and quality standards.
- A good practice is found in some reports that contain justifications for increased SPS investments in quantifiable terms, thus putting in economic terms the contribution (or importance) of good SPS management to trade outputs.
- DTIS reports do not have a uniform structure or presentation.
- Analysis of SPS issues can be found in sectoral studies, under a trade facilitation rubric, within a NTMs or NTBs chapter, as part of a market access discussion, as a significant sub-section of a chapter or as a self-standing chapter.
- While having a self-standing SPS chapter makes it easy for SPS stakeholders to see the analysis relevant to them more clearly, having an integrated and holistic view, for example through a value chain approach, is perhaps more beneficial to both SPS and non-SPS stakeholders, who often have a silo view of their sector and activities.
- The DTIS has typically neglected SPS issues in the aquatic animals sector. There are no references to fish health; SPS issues raised relate to the food safety of aquatic animal products.
- Few DTIS reports make the connection between tourism and SPS issues (food safety and invasive alien species). Only two of the reports reviewed explore strengthening local supply chains to source food for hotels locally, and highlight the importance of ensuring safe food to protect the reputation as a tourism destination. None of the reports reviewed make the linkage between preventing the entry of invasive alien species in order to protect landscapes and ecosystems.
- DTIS reports do not typically address pest or disease considerations in analyses referring to wood or timber products.

- SPS issues may be increasingly related to supporting (regional) trade of processed products, or supporting priority commodities. For the most part, DTIS reports do not explicitly link SPS issues and management with agricultural, industrial or investment policies and strategies on which they may be dependent (although linkages in other areas of analysis may be strong).
- Some references to ongoing or future donor or technical support can be found in the Action Matrices. There is no uniform or consistent way in which TA is referenced, and where it is included, the information is often generic.

5.11 Key conclusions and recommendations

- References to SPS issues should be concrete, focused and targeted to identify a specific challenge and provide a specific recommendation. There are benefits in clarity of including the recommendations immediately after stating the problem/constraints. In addition, greater uniformity in the depth or degree of analysis depending on the level of priority, may serve the users of the DTIS better. Except where the institutional set-up is the specific target of interventions, institutional frameworks can be established in organograms included as an Annex or reference in the DTIS or cross-referencing to other reports that have this information.
- The standard-setting contact point and EP should be consulted, both to gather country-specific information on standards and also to see how well these are working as part of the SPS-specific analysis.
- NIUs should systematically gather and update relevant TA in reports or in a repository of information, detailing the basic parameters of the projects; this would enable an identification of what is already covered and what gaps remain in order to establish funding priorities.
- The following provide some examples of aspects to consider when looking at SPS issues in the DTIS process. These examples may not be possible or relevant for all DTISs, are based on the findings of this Study, and should not be considered a replacement of the checklist or other guidance to be provided to ensure comprehensiveness of the SPS area review.
 - Examine the minimum capacity needed to achieve an objective, which would enable both sustainability and prioritization. Where advanced capacity is unlikely to be developed in the short and medium term, the DTIS report could offer what alternatives are available and what intermediate steps can be taken to build on what exists.
 - Incorporate a systems approach and avoid addressing issues in isolation. Value chain, commodity-specific or trade facilitation frameworks are good ways to look at SPS as well as singling out certain aspects for self-standing SPS chapter. However, the focus for intervention should be kept specific and narrow.
 - Put a quantifiable figure on the impact of SPS standards on commodities or trade, places its economic importance relative to other sectors more clearly; highlight cases where local products were banned on SPS-related grounds and put this loss in quantifiable financial terms.
 - Work towards ensuring policy coherence by looking at agricultural trade development objectives that are shared across sectors and taking into consideration other priorities in industrialization and structural transformation. Making these connections ensures that sub-sectors/commodity value chains are recognized as priorities by both agriculture and trade stakeholders.
 - Examine the SPS measures and requirements that the LDCs themselves impose on imports (particularly from other LDCs and other countries with similar conditions); and explore how uncontrolled/unsafe imports may affect local productivity.
 - Examine export barriers relating to SPS such as procedures and requirements that may be more burdensome than necessary.
 - Look for SPS matters that may not be in obvious sectors, e.g., tourism.



6. ALIGNMENT OF DTIS WITH SUPRA-NATIONAL TRADE, AGRICULTURE AND SPS POLICIES

The potential benefits of regional cooperation to LDCs can be significant, provided that governments adopt an accommodating policy framework and enabling environment.³⁶ LDCs are looking to explore regional markets as alternatives to traditional markets in developed countries, and to strengthen regional networks and linkages. As a preliminary point, the DTIS analyses relating to SPS-sensitive products have to date focused more on exports to high end markets. These markets maintain standards that LDCs find challenging to meet and DTIS reports often place emphasis on aspects such as HACCP certification or Global GAP certification. The analyses could be opened up further to explore regional value chains and export potential to alternative markets.

The EIF is country-focused; and while some programming is being done at the country level to meet regional obligations, the new phase of the EIF specifically includes references to consider the regional level.³⁷ This section explores the extent to which the DTIS or DTISUs consider or incorporate regional, sub-regional or global strategies on both trade and agriculture (in general terms as well as with specific reference to SPS matters). This overview is useful to determine the degree of synergy between recommendations at national level with the processes and policies established at supra-national level.

6.1 Africa

The twenty focus countries covered in this study are parties to the following regional bodies: African Union (AU), Economic Community of West African States (ECOWAS), Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC), East African Community (EAC), Economic Community of Central African States (ECCAS), West African Economic and Monetary Union (WAEMU), Central African Economic and Monetary Community (CEMAC) in

Africa; and Association of Southeast Asian Nations (ASEAN) in Asia.

With the exception of Burundi and Chad, the DTIS reports by and large have minimal or no references to regional frameworks with regard to SPS matters, and such references refer primarily to regional projects or activities rather than strategies or policy guidance. For example, Liberia's DTIS makes a one-off reference to an ECOWAS project under preparation with UNIDO support on 'Competitiveness Support and Harmonization of TBT and SPS Measures' which focuses primarily on TBT issues but does include building capacity within inspection agencies on plant and animal health matters.

DTIS and DTISUs do not create linkages with regional frameworks governing trade policy or agricultural policy, but rather highlight aspects of regional frameworks in a cursory manner. The Tanzania DTIS 2005 is unique in the selected countries for considerable attention paid to regional trade integration explicitly within the context of SPS.

The Tanzania DTIS 2005 devotes a sub-section of the chapter on SPS to regional integration. It lists the benefits of regional cooperation as: enabling the expansion of trade through harmonised standards and mutual recognition of conformity assessment systems; sharing best practices on how to manage SPS-related risks; managing transboundary movements of pests and diseases; and collaborating on control facilitation, international accreditation or other recognition of regulatory, conformity assessment or other systems. This chapter also covers developments and constraints in the EAC process, but less so on SADC. Thus, the study focuses more on strengthening the EAC process (i.e., making recommendations to Tanzanian policy-makers on how such processes could be strengthened) rather than alignment of Tanzanian policy with EAC requirements. The recommendations proposed in the DTIS include: streamlining of regulations and achievement of mutual recognition; resource pooling for synergies; and multi-country collaboration for problem solving. Nonetheless, this could be read to be an implicit recognition of the challenges faced when implementing the regional directions, i.e., a conscious decision to diverge from regional policy,

³⁶ OECD/WTO (2013), Aid for Trade at a Glance 2013: Connecting to Value Chains.

³⁷ Capra International Inc. & Trade Facilitation Office Canada. 2014. Evaluation of the Enhanced Integrated Framework.

and recommend a change of policy at regional level. The DTIS did not recommend a blind adherence to regional requirements and directions.

Burundi's DTISU 2012 provides a very specific insight into the harmonized dairy standards of the EAC for eight categories of product, which the DTIS report criticizes for its verbatim use of Codex standards that assume developed country infrastructure levels (e.g., regarding pasteurization). This reflects a priority in the DTIS to move away from a regional standard. The DTIS report notes "As a result of setting the regional standards too high, the EAC's harmonized dairy standards have been difficult to implement and provide little practical guidance for farmers, dairy traders, and large processors on how to upgrade their operation. According to the letter of the law, more than 95% of the EAC's milk supply is technically illegal because it does not comply with the new standards requirements and could be stopped from regional trade at any time."

Malawi's DTIS 2004 contemplates the possible use of common regional (COMESA and SADC) infrastructure and technical facilities through the following questions: "Given the enormous needs faced by all the countries in the region, it makes little sense for each one to set up the technical facilities needed to implement their WTO commitments. Should there really be twenty laboratory testing facilities for SPS in the COMESA region?" The Malawi DTISU 2014 refers to a SADC/COMESA/EAC online initiative on NTB Reporting, Monitoring and Eliminating Mechanism³⁸ where government agencies, firms, private sector associations, or individuals, can report the barriers they encounter in cross-border trade within the Tripartite Community. Of Malawi's 30 registered complaints, all were formally resolved, although the report does highlight that these issues are still raised by the private sector and are relevant to SPS, including "cumbersome and non-transparent testing procedures, SPS procedures, lack of information, export certification and restrictions on imports."

Chad's extensive coverage of regional arrangements in its DTISU 2013 discusses a Regional Economic Programme (2009-2025) under CEMAC; the first phase (2010-2015) is to create a competitive environment to attract foreign investment, driven by five sectors including agriculture and agro-industry, and animal husbandry and fisheries. The DTISU

outlines the four main pillars to support growth: governance and macroeconomic stability; common market and trade facilitation; physical infrastructure integration; and economic infrastructure. Linkages with regional actors are fairly strong in the AM, although it does not focus on SPS; in the area of livestock, the Matrix refers to the involvement of CEMAC partners.

The Senegal DTISU 2013 indicates that the SPS regulatory framework in the country seeks to implement its obligations under the WAEMU pillar on promotion of trade in goods and services. Regulation No. 07/2007/CM/UEMOA of 6 April 2007 defines a framework for the safety of plants, animals and food, which require alignment with the WTO Agreement and the standards of the OIE, IPPC and Codex Alimentarius.

6.1.1 Recent initiatives

The SPS Annex VIII to the SADC Protocol on Trade of 2014 lists as among its objectives, enhancing technical capacity to implement and monitor SPS measures including promoting greater use of international standards and other matters concerning SPS; and to provide a regional forum for addressing SPS matters, including trade matters that arise therefrom. This text is recent and thus not considered in the DTIS reports for Tanzania, Mozambique and Malawi who are members of SADC.

The EAC Protocol on SPS measures signed in 2013 post-dates the DTIS of Burundi and Tanzania, and is thus not mentioned in the reports. The Protocol commits the parties to cooperate on SPS matters and encourages implementation and harmonization of policies, laws and measures to protect animal and plant health, and to ensure food safety in each of the five member states in accordance with the principles of the WTO SPS Agreement. Implementation of the protocol is one of the targets identified in the Fourth EAC Development Strategy (2011/2012 - 2015/2016).

Similarly, other regional initiatives in Africa are fairly recent and thus not considered in the DTIS processes that pre-date them.³⁹ For example, the AU established an African SPS Committee in 2014 (this body is not yet operational).

³⁸ See www.tradebarriers.org.

³⁹ Notwithstanding, the Malawi DTISU 2014 does not make reference to NEPAD or CAADP.

It is important for the DTIS process and reports in the future to recognize and acknowledge supra-national policy and strategies to ensure consistency in policy recommendations provided to stakeholders, and to ensure that there are no duplicative programmes or activities taking place. Where the DTIS advice expressly deviates from a regional level recommendation or direction, this could be clearly highlighted and explanations given as to why, to enable the government to make an informed decision of the consequences and impact of such advice, vis-à-vis its regional commitments. Thus, alignment with frameworks such as Comprehensive Africa Agriculture Development Programme (CAADP) and its country-level processes such as its compacts and investment plans will be important. CAADP seeks to “promote harmonized strategic planning and implementation for partnership and development assistance and aims at enhancing the capacity of government staff in technical and management skills for investment promotion.”⁴⁰ Regional bodies also have investment plans (e.g., ECOWAS’ Regional Investment Plan 2010) that may warrant consideration.

Similarly, alignment with initiatives such as the 2014 Malabo Declaration on Accelerated Agricultural Growth and Transformation for Shared Prosperity and Improved Livelihoods (which outlines a targeted approach to achieve the agricultural vision for Africa), and the AU’s initiatives: African Productive Capacity Initiative (APCI), and the African Agribusiness and Agro-industry Development Initiative (3ADI), will, upon the same rationale, be important even though the actual documents themselves are typically broad enough to accommodate a wide range of approaches to achieve the national-level goals. Trade-specific strategies demonstrate that not only are horizontal inter-sectoral linkages necessary between trade and agriculture (AU’s zero draft Action Plan for Boosting Intra-African Trade acknowledges the agriculture-related initiatives mentioned above), but also it is important that the DTIS ensures vertical linkages with policies at national and supra-national levels.

⁴⁰ Malawi CAADP Compact to support the successful implementation of the agricultural sector-wide approach (2010).

6.2 Asia

ASEAN’s Free-Trade Agreement contains a chapter on SPS measures, whose objective is to provide greater transparency in and understanding of the application of each Party’s regulations and procedures relating to SPS measures; strengthen cooperation among the competent authorities of the Parties which are responsible for matters covered by this Chapter; and enhance practical implementation of the principles and disciplines contained within the SPS Agreement. Article 10 establishes a Sub-Committee on SPS matters to review the progress made by the Parties in implementing their commitments and may set up subsidiary working groups to consider specified issues.

Regional approaches to SPS issues constitute part of the framework for SPS policy and initiatives in Cambodia. The implications of ASEAN regional integration in relation to SPS control are explicitly, but only minimally, addressed in the DTISU 2007 where it is noted that ASEAN members work together to prioritize harmonization of SPS standards, such as Maximum Residue Limits (MRLs) for pesticides, use of pesticides and veterinary drugs, and animal health and plant and animal quarantine. Lao PDR’s DTISU 2012 refers to the importance of IT in the modernization of SPS services with reference to activities for an electronic ASEAN Single Window.

Both the Cambodia TIS (2014-2018) and the Lao PDR DTISU 2012 refer to the Cross-Border Transport Agreement (CBTA), which seeks to streamline regulations and reduce barriers in the Greater Mekong Sub-region (GMS). Annex 3 of the CBTA details rules regarding the transport of perishable goods. In the context of trade facilitation, Lao PDR’s DTISU 2012 contains a section on regional approaches referring to the CBTA. The CBTA is again raised in the context of wholesale markets and competitiveness but not in the section on SPS matters. The Cambodia TIS (2014-2018) refers to the CBTA in its trade logistics chapter, although not specifically in connection with SPS matters.

Chapter 6 Summary

This chapter looks at the extent to which the DTIS or DTISUs consider, or incorporate regional, sub-regional or global strategies on both trade and agriculture (in general terms as well as with specific reference to SPS matters).

- LDCs are looking to explore regional markets as alternatives to traditional markets in developed countries, and to strengthen regional networks and linkages.
- Opportunities may exist at regional level for pooling resources and infrastructure (for example, laboratories and testing) as well as enhanced cooperation in terms of standards that are compliant may be less stringent than some traditional markets.
- Some regional agreements include SPS-specific aspects and in some cases specific programmes of support.
- There are references to regional frameworks in some DTIS reports, although this is neither consistent, nor detailed with reference to SPS matters. DTISs have not often explicitly aligned recommendations in the SPS area with regional SPS (or related trade or industrial) priorities.

Key conclusions and recommendations

- Explore regional value chains and regional export potential in each study.
- Adopt a greater degree of synergy between analysis and recommendations at the national level with the processes and policies established at supra-national level. Ensure there is consistency in policy recommendations provided to stakeholders, that there are no duplicative programmes or activities taking place.



7. NATIONAL STAKEHOLDERS AND CONSULTATIONS

The impact, legitimacy and utility of the DTIS will depend on effective national engagement and the participation of a range of stakeholders both during and after the development of the DTIS report (see Section 3.2 for discussions on consultation processes at different stages of DTIS elaboration). The DTIS process offers opportunities at several steps (from the Concept Note stage to the final validation workshop) to involve stakeholders in priority-setting, policy development and project implementation. DTIS teams are expected to closely interact with local stakeholders: relevant government ministries and agencies, private sector interests, the donor community, NGOs, etc. Host country ownership of the outcome of the DTIS process depends on extensive and intensive inquiry into the local situation, consultations as to priorities for capacity building, and a genuine effort to reflect stakeholder views in the AM. This section thus, explores processes involving both public and private stakeholders at national level.

7.1 Public stakeholders

A key issue is whether the right stakeholders have been included at country level and to what extent, and how SPS authorities⁴¹ have been involved in the DTIS elaboration process. To analyze this issue, there is a need to look at two aspects: (1) the substantive analysis in the report of how stakeholders are coordinated on trade and SPS matters; and (2) the degree of the inclusion of the right stakeholders in the DTIS process at the right time.

Regarding the first aspect, many DTIS reports mention the poor coordination between ministries specific to SPS matters and also more broadly among other national level institutions. For example, Bhutan's DTIS 2012 expressly refers to poor coordination and a silo mentality, providing good practices in other countries on possible ways to overcome this. It highlights that the Ministry of Agriculture and Forestry plays a key role on SPS matters, but does not fully consult the Department of Trade, even though SPS regulatory responsibilities in

Bhutan are largely in the hands of a single agency so that coordination is easy and resources are not wasted on inter-agency contesting of regulatory space.

Better coordination of efforts is needed at national level to raise the profile of SPS issues, facilitate public-private sector dialogue, remove overlapping mandates, making more efficient use of scarce resources, and further integrating SPS issues into broader planning/budgetary frameworks and supply chains. Good coordination between trade and agriculture (and other) sectors also enables prioritization and thus focusing on strategic dimensions of SPS areas that are integrated in the broader country framework (for example sub-sector/commodity value chains priorities across sectors).

With respect to the second aspect, it is a matter for judgment whether the consultation processes followed with respect to SPS issues was optimal in the DTIS or DTISUs. Indeed, it is difficult to draw a conclusion on whether the 'right' stakeholders have been included in consultations during the elaboration phase without detailed knowledge of the institutional arrangements for SPS and without comparing this with a list of persons consulted (such list is not included in the reports). Additionally, even where institutions are mentioned in reports, there will be no information about the quality, timeliness or effectiveness of that interaction.

DTIS reports do not typically record the contributions of the local interlocutors but rather the views of the authors of the Study based on their processing of all the available information together with other relevant considerations; hence the contribution of the consultation process is necessarily opaque. Nor is it possible to know whether more, or different consultations would have yielded a better outcome. Therefore, it is recommended that very brief mission reports (for example a maximum of 2 pages) which indicate operational and procedural activities (including the list of stakeholders consulted) are kept as records.

A number of recent DTISUs (e.g., for Lao PDR) include sectoral or chapter consultations with the stakeholders addressed in that sector or chapter.

⁴¹ National Plant Protection Organizations, Chief Veterinary Offices, Fisheries Competent Authority, Food Safety Authority, and Public Health Authority.

This is good practice as it enables more of the relevant stakeholders to discuss the key issues in more depth. It may be useful if records of these consultations and participants are kept in annexures to the DTIS reports.

Stakeholder participation in the DTIS processes is normally ensured by the requirement to establish a NSC in the EIF process. This Committee, which is inherently multi-sectoral, cannot include representatives from every department of every relevant ministry and thus, only one person typically represents the Ministry. Thus, having a representative in the NSC is not a guarantee that SPS or other more technical agricultural issues are considered comprehensively or accurately. In some countries, there are inefficiencies in inter-Departmental communication which mean that key events and issues may not be transmitted before or afterwards to relevant stakeholders. A supplement to such NSC arrangement would be to ensure facilitated interactions where needed at technical level, even informally, that are supported and arranged through the NIU. In some cases it may even be appropriate to include the key SPS focal points in the NSC. The NIU role of bringing together the most appropriate stakeholders should be monitored closely by the ES and should be considered as a core mandate for NIUs.

For animal health matters, the OIE delegate is an important first point of contact; this person may also introduce the team to OIE focal points for different areas of the veterinary domain. For plant health matters, the authority responsible for agriculture can serve as the first point of contact to further identify the National Plant Protection Organization (NPPO) or corresponding institution. For food safety matters, a first point of contact could be the Codex contact point, particularly if national arrangements are not clear on a lead responsible Ministry for food safety matters. Where inter-ministerial food safety committees exist, these are essential points of engagement as they can provide information on the institutional framework, roles and responsibilities, and insights into practical challenges facing the sector. For fish health matters, the institutional authority may be more or less obvious depending on the country. However, the food safety of fish and fish products may be under the health or fisheries or veterinary authority. The responsible authority for food safety aspects of food businesses (restaurants and hotels) is also relevant.

Cambodia's process is highlighted as there has been active support for and engagement with the DTIS, from very senior government officials to the technical level. Relevant Ministries engaged actively with the development of recommendations for strengthening trade-related SPS capacity. However, in other countries, there have been some instances where agricultural institutions have not been satisfied with how their specific priorities are reflected in the DTIS (although this did not pertain specifically to SPS matters). There are also cases where the NPOs were not even aware of the DTIS or its elaboration processes at all, because consultations with the Ministry of Agriculture involved other officials. This raises a number of questions as to the efficacy of the validation process. If there are objections: were such objections raised during the elaboration process or at the time of validation, or were they raised and not taken into account? Are any objections not taken into account as a result of an oversight of the DTIS team or because the team felt that entrenched positions caused resistance to the goals of reform? This reveals a tension between the need for country ownership of the outcomes through government-led strategies on the one hand and the difficulty of generating meaningful country-driven reform on the other.

One mechanism that the DTIS process may wish to use is national SPS coordination mechanisms (in countries where they exist). Tanzania's National SPS Committee⁴² provides a forum for SPS-related consultations. In many countries such committees fall prey to resource constraints and difficulties in holding regular meetings, but the DTIS process may create a pretext for use of these mechanisms in a concrete manner (at least for the duration of the DTIS process, if not thereafter as well). These mechanisms are also well-placed to integrate with regional level SPS coordination committees as found in SADC and ASEAN,⁴³ which may enable greater integration of the DTIS processes at national level and an excellent way

⁴² The membership includes: officials of the Ministry of Industry and Trade, the Ministry of Agriculture (IPPC national contact point), Ministry of Livestock and Fisheries (OIE national contact point and Fisheries Division representative), Tanzania Bureau of Standards (Codex national contact point), the Tanzania Food and Drug Authority, and the Customs Department; representatives of the corresponding Ministries of Zanzibar; industry representative bodies (fish processors, horticulture, chambers of commerce); the National Consumers Advisory Council; the Tropical Pesticides Research Institute and the Sokoine University of Agriculture.

⁴³ SADC Sanitary and Phytosanitary Coordinating Committee is tasked with, *inter alia*: (i) serving as a forum for regional liaison with corresponding organizations for consultations and exchange of technical information relating to sanitary or phytosanitary issues; (ii) facilitating capacity building in the region for sanitary and phytosanitary matters through cooperation and collaboration with relevant organizations; (iii) establishing Technical Committees and ad hoc Working Groups as necessary on specific issues related to sanitary or phytosanitary measures; and (iv) identifying regional needs/challenges and facilitate the development and implementation of programmes to address them (article 14 of the Annex to the SADC Protocol).

to enhance visibility of the DTIS process at least on SPS issues in a regional forum.

In some countries where there are no well-functioning coordination structures, and possibly even some friction between different agencies, extensive consultation, even of an ad-hoc nature, becomes even more critical to secure inputs.

7.2 Private sector stakeholders

Sustainable inclusive economic growth requires reforms that encourage increased private sector growth. While SPS management typically focuses on public sector capacities and interventions, the DTIS process in general frequently looks at constraints faced by the private sector, particularly for exports. Thus, there are two key issues relevant to private stakeholders for the purposes of this Study. The first concerns the topic of this section, i.e., the consultative process of the DTIS, which enshrines a participatory approach to reform. The second is, as noted above, that the DTIS report itself typically espouses approaches and reforms that are conducive to private sector development and diversification. This emphasis makes it critical that private sector representatives have a say in the design of the DTIS or the DTISU and are represented in decision-making bodies such as the NSC. Private stakeholders are often consulted to varying degrees during the DTIS elaboration process.

Indeed, in many countries, improvements in SPS compliance have been boosted by private sector initiatives towards gaining market access. The Sudan DTIS (2008) makes a case for public-private partnerships in the horticulture sector to build infrastructure and improve practices. It explicitly states: "producers themselves face the larger task of bringing their practices into greater conformity with international norms." The report's four-point strategy to boost agricultural trade through improved SPS compliance explicitly pointed to improvement in the private sector's SPS compliance capacity. There are various areas within the SPS framework that lend themselves to public-private partnership, including for the provision of SPS support functions such as inspections and testing. One of the OIE's PVS pillars relates to public-private partnerships in the veterinary domain.

Another key consideration is the role of public-private partnerships in delivering SPS-related services or where functions of competent authorities can be delegated to the private sector (for example, laboratories and testing functions, carrying out surveys, etc.). Private sector initiatives are particularly important where restricted finances constrain public

sector management of an SPS area. Private-sector led growth still needs a conducive regulatory environment in a number of areas not just relating to SPS, although the latter would encompass a range of issues from productive capabilities to manufacturing processes and finally testing and conformity assessments. A DTIS report seeking private sector led growth would thus benefit from the sector/commodity perspective in identifying bottlenecks.

Interviews with former DTIS team members who worked on SPS issues stress the importance of interviewing the private sector. Private sector individuals sometimes have the resources and information that is not available to the governments in their countries; they may have the reach and use of networks that their governments do not have access to. Private stakeholders also often have a good understanding of practicality or feasibility of reforms that affect them, and thus are able to provide a good gauge of the costs of compliance with reforms. Private sector stakeholders are also able to provide inputs to a critical aspect of SPS management: providing inputs to identify the less trade-restrictive option between two SPS measures that achieve the same health objective, as required by the WTO SPS Agreement.

In many countries, the private sector has a limited view, however, of the breadth of SPS management issues and the range of technical competencies and capacities required in order to provide testing, certification and other services. Private sector stakeholders mostly have a good understanding of the narrow aspects that affect their business, and thus exposure to the whole spectrum of issues within the SPS domain as well as the broader business environment and cross-cutting issues is also a beneficial part of the DTIS process.

Questions raised in the previous section are also pertinent to private sector participants in the DTIS process. Have the right persons been consulted? Has such consultation been timely and effective? How have their objections been taken into account? As noted in the foregoing section, an assessment of such factors for present purposes is not straightforward.

In Nepal, the Trade Integration Strategy 2010 provided a platform for the Government, private sector (including business leaders), civil society, development partners and other stakeholders to buy-in and own the trade agenda enabling the country to fix a modality under the EIF Tier 1NIAs.⁴⁴

⁴⁴ Concept Note for Nepal DTISU (2015).

In Tanzania, inputs were obtained from at least three private sector representative bodies and eleven bilateral and multilateral development partners. In Ethiopia, the Ethiopian Public Private Consultative Forum was created from a Memorandum of Understanding signed in 2010 between the then Ministry of Trade and Industry, and the Ethiopian Chamber of Commerce and Sectoral Associations, promoting communication and coordination between the public and private sectors, including some at the sectoral level.⁴⁵ A DTISU is currently underway in Ethiopia, which is tasked with reviewing the strengths and weaknesses of the existing institutional machinery in trade policymaking and the existing consultation mechanisms with the private sector.

Finally, a recent review of the EIF has called for a strategic focus in how to engage with the private sector, building on its current involvement in DTIS and sectoral plans, NSC participation and to enable the private sector (international and domestic) to play the role as part of the investment equation⁴⁶, which may include having a role in implementation (thus decreasing reliance on donors and positively impacting sustainability of interventions).

⁴⁵ Concept Note for Ethiopia DTISU (2014).

⁴⁶ Capra International Inc. & Trade Facilitation Office Canada. 2014. Evaluation of the Enhanced Integrated Framework.

Chapter 7 Summary

This chapter analyses the DTIS processes involving both public and private stakeholders at national level.

- Good coordination of stakeholders raises the profile of SPS issues, facilitates public-private sector dialogue, removes overlapping mandates, makes more efficient use of scarce resources, and further integrates SPS issues into broader planning/budgetary frameworks and supply chains.
- Greater involvement of national SPS committees may enable greater integration of the DTIS processes at national level and a useful way to enhance visibility of the DTIS process at least on SPS issues in a regional forum.
- DTISs contain substantive analysis on national stakeholders' co-ordination aspects relating to trade and SPS matters; many reports mention poor coordination between agriculture and trade ministries.
- It is difficult to make an assessment of the procedural aspects relating to involvement of the right stakeholders in the DTIS process itself, without having full lists of persons consulted and even more difficult to make a judgment of quality or timeliness of interaction.
- Where entrenched positions exist, there may be a tension between the need for country ownership of the outcomes through government-led strategies on the one hand and the difficulty of generating meaningful country-driven reform on the other.
- The private sector often has good understanding of feasibility of reforms, and may have extensive networks, resources and information that the public sector may not necessarily have; private stakeholders are often consulted to varying degrees during the DTIS elaboration process and are included in the NSC.

8. FACTORS AFFECTING SPS COVERAGE IN THE DTIS

The variation in SPS treatment, and specifically limited or no SPS treatment, may be attributable to many different substantive factors (for example, whether an economy is highly dependent on a single commodity that is not SPS-sensitive, or whether the agriculture sector is essentially not export-ready and therefore the priority is the preparatory steps), as well as different procedural factors (whether the most appropriate actors were consulted).

Malawi's 2004 DTIS is one of the few reports that provides express reasons for not extensively examining SPS matters. The commodity focus on tea revealed that the concerns for Malawi relate more to "improving product quality rather than to SPS issues per se". In addition, "for Malawi's leading agricultural exports, compliance with international sanitary and phytosanitary requirements has not proven to be a problem for the large international companies, which dominate these sectors".

Conversely, some DTIS reports expressly indicate why SPS is given focus. For example, the Tanzania TIS indicated that agricultural export assessments would focus on those – sub-sectors that are particularly important for poverty alleviation (agricultural crops), as well as those that are emerging and/or have the potential to make an even larger contribution to export and hence overall economic growth (horticulture and floriculture; spices, and fish).

SPS capacity building must in some circumstances assume a lower priority compared with other initiatives. In Liberia, post-conflict renovation of key utilities and infrastructure may have had a higher priority than SPS issues for the DTIS 2008, although the DTISU 2013 does contain more SPS issues.

The next section explores how some DTISs or DTISUs may be guided towards or away from addressing SPS issues in the Concept Notes, which establish the parameters and key areas of the DTIS or DTISU. It also looks at other possible factors that may influence SPS treatment.

8.1 Terms of Reference

A proposal for a DTIS or DTISU must include TOR for the Lead Agency/entity/Government Task Team Leader. The TOR are to be prepared by the Government through the EIF Focal Point (FP), and could include what is expected from the DTIS or DTISU process, i.e., the mandatory deliverables and anything else the government may specify. Therefore this indicates that while there may be some degree of discretion and professional judgment on the part of the DTIS team members, their TOR will likely specify different areas to look at, based on the original Concept Note. Thus if the TOR calls for significant attention to SPS, it is likely that it is because the Concept Note has pointed to an examination of SPS issues, and vice versa.

8.2 Concept Notes

Section 3.2.1 of this Study noted that the principal guiding document for a country's DTIS is the Concept Note. The Concept Note essentially enshrines the focus areas selected by the Government and is developed following a consultative process at national level. The Concept Notes may help provide a definitive answer as to whether the country raised SPS issues or not as priority areas.

Box 13 sets out the development process for Concept Notes. The incorporation of the comments in the Concept Note is at the discretion of the FP. Some implementing entities have in the past provided specific responses to the comments, indicating how the comments have been treated (i.e., incorporated, partially, or not). It would be useful if this feedback were more systematic in order to 'close the loop' and demonstrate the usefulness and effectiveness of the consultative process.

Box 13. Elaboration process for Concept Notes

A Concept Note outlines the country's trade strategy or existing practices; the links to the poverty reduction strategy paper/national development plans and other main issues on mainstreaming; objectives and key issues of the DTIS/DTISU; the approach to, and modalities of, the process; the list of local stakeholders and international or bilateral donor partners that were consulted or have participated in the consultative meetings; and an outline of the consultative process and validation and dissemination of findings. In the case of a DTISU, the Concept Note should also be based on any relevant lessons learned from the initial DTIS process and specify the direction in which the government wishes to proceed following the updating. The MIE submits the draft to the FP for approval, who, after having requested and incorporated in-country stakeholders' comments, submits the Concept Note to the ES. The ES circulates the Concept Note to the EIF Board Members for comments. Once relevant comments from the EIF Board Members have been incorporated and the Concept Note has been approved as final by the FP, he/she will request the MIE to commence further research and consultations for the DTIS/DTISU and produce a draft for review, in line with the DTIS template and the checklist provided in Annex II.2. Once the FP, based on in-country consultative reviews of the draft, is satisfied with the quality of the DTIS/DTISU, he/she will submit it to the ES.

Extract from the Compendium, at pp. 34-35

All Concept Notes refer to strengthening the environment for the private sector to operate and in some cases, strengthening the private sector directly. The Solomon Islands Concept Note calls for a description of private sector players in the key sectors, as well as an assessment of the viability of further export diversification in niche areas. The Guinea-Bissau Concept Note identifies cross-cutting themes as opening up potential for the private sector to diversify in ways that are profitable and efficient. It also notes that it expects the DTIS to rely heavily on the existing work of a private sector project to highlight priorities for trade expansion.

Some Concept Notes emphasize the consultative processes, which must necessarily engage the private sector. The Lao PDR Concept Note states that establishment of the approach and the proposal for the DTISU (i.e., the preliminary stages) included substantial consultation with the Trade and Private Sector Development Subgroup. This body includes development partners, the private sector and civil society as well as the Government, and was tasked with reviewing and guiding the DTISU process. This reviewing committee was a driving force for the DTISU and determining its scope, content and methods.

Concerning regional integration, attention can be drawn to the Burundi Concept Note for the 2012 DTISU, which indicates a need for addressing opportunities and challenges of regional integration and recommendations regarding overlapping membership in different regional bodies. The Concept Note calls for particular attention to be devoted to harnessing regional public goods such as accessing regional infrastructure or using regional standards that can help promote growth. As discussed in Section 6.1, the Burundi DTISU (2012) devotes a whole chapter to regional integration challenges and opportunities as a result.

The Concept Note for the Cambodia TIS (Update) is noteworthy in that it indicates that the DTIS should be guided by four key principles: incorporating best practices from the 2007 DTIS; building on and assessing progress of the Trade SWAp baselines and benchmarks-targets and identify remaining and new challenges for possible future action; identifying new challenges and priorities; and a few selected central themes to help focus the various chapters (e.g., ASEAN integration).

Interviews with various DTIS team members indicate that nevertheless, there can be some degree of discretion available to them, and they may exert influence over the Concept Note, particularly for issues that may have not been foreseen at the time it was developed. However, for this to happen, concrete justifications have to be made, consultations held and agreement reached with the concerned parties should there be a change in course away from the Concept Note. Typically, where good justification can be provided to the team leader on the reason to disregard a certain issue despite its inclusion in the Concept Note, or on the contrary to address another area that is not included therein, the suggestion would be accommodated following consultation with, and the approval from, the FP in country.

As Box 15 on the Cambodia TIS Update shows, there is a general correlation between significant treatment of SPS matters in the DTIS and its prominence in a Concept Note. However, exceptions do exist, therefore it is not automatic that where there is SPS inclusion or emphasis in a Concept Note (or lack of it), that this will be reflected in the DTIS report (see Box 16).

The Concept Note for Tanzania (see Box 14 for an extract), which had excellent SPS coverage, demonstrates that SPS matters were specifically highlighted for attention.

Box 14. Extract from Concept Note for Tanzania DTIS 2005

- Identify and characterize the major SPS (and quality) issues faced by Tanzanian producers and exporters and efforts made to address these;
- Examine the nature/extent of prevailing strengths/weaknesses in SPS and quality management and identify several near- and longer-term priority capacity needs;
- Assess the extent to which Tanzania has engaged in regional efforts to enhance capacity and overcome constraints and the success of such initiatives.

Extract Concept Note for Tanzania

The Concept Note for the Senegal DTISU 2013 described the SPS context and challenges to date and indicated that the DTISU would be an “update of the situation especially for the creation of more differentiated exports”.

In addition to putting special emphasis on SPS issues, some Concept Notes can be more specific on how these issues should be presented in the DTIS report. It is interesting to note that the Sudan DTISU 2014 Concept Note specifically directs addressing SPS aspects in a section on NTMs. Similarly, the Concept Note for the Cambodia TIS (Update), extracted in Box 15, explicitly identifies that there should be a chapter for SPS and TBT for trade integration. There are also sectors selected for focus with implications for SPS: milled rice, fisheries, cassava, maize/corn, processed food (and a selection of cross-cutting issues relating to trade facilitation that may impact these sectors).

Box 15. SPS chapter guidance in Cambodia Concept Note

This Chapter will focus on progress made by Cambodia in organizing a coherent approach to the management of SPS [...] Standards measures for trade within Government and between Government and the Private Sector through a clearer division of responsibilities among Government bodies, capacity development in those bodies, growing awareness of the importance of SPS and Technical Standards among exporters and importers, and growing capacity of exporters to meet SPS and Technical Standards demanded by importing countries including in key export sectors. [...]

Using DTIS 2007 and studies such as the SPS Balance Sheet for Cambodia developed with STDF support, a first section will seek to identify where progress has been made since the last DTIS in further developing the key building blocks of an SPS infrastructure for Cambodia including, but not limited to, strengthening the key contact points: OIE, IPPC, Codex, SPS EP and Bio-safety and biodiversity EP. This section will also examine the impact of the Inter-Ministerial Prakas of October 2010, prepared with assistance from the ADB, that defines the functional responsibilities of the different Government Ministries and Agencies in the ‘farm-to-fork’ process and the extent to which a clear division of functions is being established and matching capacities developed to support this process.

A second section will focus on SPS sensitive exports, with a special focus on the sectors identified. [...] In particular, this section might examine the extent to which producers have access to the proper support infrastructure (including private labs, fumigation facilities etc., as well as government permitting bodies) to support exports of SPS compliant products. Information on rejected shipments might be interesting to examine as an indication of areas for further capacity building.

Based on the findings from the two sections, the author(s) will identify possible further actions, including further legal and regulatory reform if applicable, to be implemented for additional strengthening of key players in this critical area. [Emphasis added]

Extract from Cambodia Concept Note (2012)

Interestingly, while the Bhutan Concept Note does not call specifically for SPS focus, the DTIS does nonetheless include significant SPS coverage.

Box 16 below provides an overview of SPS issue references in the Concept Notes and the corresponding degree of focus in the DTIS or DTISU.

Box 16. Comparative review of Concept Notes

COUNTRY	SPS FOCUS IN DTIS OR DTISU	CONCEPT NOTE REFERENCE
Benin	Not significant	Not available for review.
Bhutan	Significant (DTIS 2012)	SPS not expressly mentioned. The Concept Note refers more to standards, certification, accreditation, quality matters and also organic production.
Burkina Faso	Significant (in DTISU 2014 but not in DTIS 2007)	(Concept Note for DTISU) SPS not expressly mentioned but general Focus will be on tariff and NTBs, export diversification, standards, market access, and capacity-building.
Burundi	Not significant	(Concept Note for DTISU) Brief reference to export challenges including mandatory and voluntary standards. Mention of sanitary measures challenges in the fisheries sector.
Cambodia	Significant in DTIS 2002, DTISU 2007 and CTIS 2014-2018	(Concept Note for DTISU) Express emphasis on SPS – see Box 15.
Chad	Significant (DTISU 2013)	(Concept Note for DTISU) Express emphasis on SPS (to be included chapter under infrastructure and other support to businesses).
Ethiopia	Not significant (except meat and livestock)	Not available for review.
Guinea-Bissau	Not significant	No SPS reference
Haiti	Not significant	Reference to a subsection on standards and export challenges.
Lao PDR	Significant (DTISU 2012)	The chapter should also include analysis of possible access key market opportunities and challenges in selected key export (possibly top three) markets, such as standards including SPS.
Liberia	Not significant	No SPS reference (general standards language).
Madagascar	Not significant	No SPS reference.
Malawi	Not significant	Not available for review.
Mozambique	Not significant	No SPS reference.
Nepal	Significant (DTISU 2010)	Not available for review.
Senegal	Significant (DTISU 2013) but not significant in DTIS 2003	(Concept Note for DTISU) Express emphasis on SPS.
Solomon Islands	Significant (DTIS 2009)	Express emphasis on SPS in the trade facilitation chapter.
Sudan	Significant (DTIS 2008) but not in DTISU	Express emphasis on SPS in NTM chapter.
Tanzania	Significant (DTIS 2005)	(Concept Note for DTISU) Express emphasis on SPS – see Box 14.
Vanuatu	Significant (DTIS 2007)	Not available for review.

8.3 DTIS team composition

The DTIS reports may vary in emphasis not only according to priorities at national level as perceived by the individual experts, but also perhaps by the implementing agencies that are responsible for developing the DTIS. The team composition, expertise and team dynamics influences the report in terms of what issues are addressed. Even where TOR provide direction, there are varying degrees of discretion and personal judgment on the inclusion of focus areas.

Interviews with team members revealed that the selection of focus areas was based on major export commodities, major related developments and trends and future potential. The selection of narrower issues of focus to be included in a DTIS may also depend in part on the individual expert's view and previous experience.

The team leader typically has a general trade economics background. However, having a team leader that is aware of the impact of SPS issues and their significance in the trade context and ensures that the DTIS adequately reflects this, is obviously a supporting factor. According to interviewees, team leaders are often very open to suggestions and directions relating to SPS, rely on the subject-matter expert for proposals and recommendations, and often have extensive discussions with stakeholders including donors on issues raised.

There is a positive correlation between thorough treatment of SPS issues in a DTIS or DTISU and the presence in the project team of one or more persons with a specific expertise on SPS issues. This is likely a result of inclusion of SPS matters in the Concept Note and the specific nature of the TOR that result therefrom.

Significant SPS coverage may sometimes be the result of a technical judgment on the part of an agriculture expert, even where not expressly requested by the government, where it is directly relevant for a sectoral focus (i.e., horticulture, fisheries, etc.). Despite evidence from the Solomon Islands demonstrating how the experts on agriculture included in the study team were able to provide good analysis and recommended actions on SPS matters, other DTISs reflect a specific trend. In Tanzania, the team included two experts on SPS and trade issues – a consultant and a WB staff member, and this resulted in one of the strongest SPS chapters out of the twenty countries under review. The inclusion of an SPS expert in the Sudan DTIS team has made possible the extensive coverage of SPS issues in the DTIS 2008. In Lao

PDR, coverage of SPS aspects has very clearly benefitted from inclusion of an SPS expert in the study team for the DTIS and DTISU, which not only brought in the required expertise but also provided continuity and sound contextual knowledge benefits. The counter-argument to this, is that the DTISU should be used to re-evaluate and provide new ideas for areas that are not working, possibly pointing towards having fresh inputs from a new expert.

Cambodia's DTIS process has also benefitted from the engagement of experienced SPS consultants in the preparation of the reports. In the case of the TIS 2014-2018, the consultant employed to consider SPS (and TBT) issues relevant to trade integration and facilitation has a wealth of knowledge about the SPS situation in Cambodia and in the neighbouring countries that are also part of the Greater Mekong Sub-region.

In Ethiopia, the DTIS report's strong section on livestock and meat is visibly influenced by the presence in the team of a livestock/animal health expert, although some weaknesses in addressing food safety matters raise the issue of intra-SPS area linkages that may not be catered to well by a single topic specialist.

8.4 Resources

The funds available to cover different types of DTISs are examined in Section 3.2 of the Study. Countries also have the option of having selective DTISUs which target high priority areas where there is potential to leverage high gains. In addition to the basic premise of the DTIS as a tool for prioritization and thus not amenable to broad examination of all challenges relating to trade, increasingly restricted budgets from donors means that there may be limited resources to field more than one SPS expert to support a DTIS. Such an expert may cover all SPS areas (and sometimes TBT as well). As it is unlikely that there will be increases in funding for SPS analysis specifically, the priority should be on how to make the analyses and processes efficient. This means building on existing information, for example the results of PVS and PCE assessments (further explored in Section 9.2.4) or the NTM studies of the ITC, country and project reports of TA agencies that are partners to the EIF, etc. Some of the DTIS reports make good use of existing research, statistics and analysis carried out by other organizations. In Bhutan's DTIS 2012, which contains a self-standing chapter on SPS issues, FAO's biosecurity needs assessment was taken into account as well as previous consultant's study on SPS matters; and the Malawi DTISU made reference

to an ITC study in 2012 regarding delays in testing results for SPS requirements and confirms the study's findings through consultations carried out under the DTIS. However, as a general observation, this practice could be considerably improved. The relevant expert could thus use established networks and information, which will minimize the time needed, not duplicate work that has already been carried out, and expand the scope of coverage beyond what is feasible by a single person.



9. TECHNICAL ASSISTANCE (TA): ALIGNMENT AND BROADER COLLABORATION

This section looks at the extent to which DTIS reports and processes have provided a framework for donor alignment and how improvements can be made that ensure DTIS processes and analyses themselves are aligned with different initiatives at country level. Such alignment could be achieved through using analysis from past projects or assessments or using strategies developed by other international organizations. For instance, a comparison shows that the SPS-related initiatives proposed by the Cambodia's DTISU are largely complementary with the recommendations of the Action Plan for SPS capacity-building prepared by FAO under an STDF-funded project (STDF/PG/246), and with analysis carried out for the ADB under its Greater Mekong Sub-region SPS handling project.

This section also looks at options for the roles of international agencies and bodies with a mandate in SPS matters to be further involved in the DTIS process.

9.1 Donor coordination and approaches

With one of the key aims of a DTIS being to leverage AfT resources for LDCs, it is hoped that development partners will direct their funding towards the key priorities that emerge. Strong coordination on the part of the government and its significant support of the recommendations of the DTIS will increase the chances of donor interest, engagement and ultimately funding or other type of collaboration. For instance Vanuatu's National Trade Development Committee has a very effective engagement with TA agencies working in the country which led to tangible benefits.

In two of the case study countries, Cambodia and Tanzania, robust mechanisms for donor transparency and coordination were created. However, even there, not all development partners were on board – quite often development partners have their own development objectives and priorities for funding.

The specific technical approaches endorsed in implementing projects may also be somewhat influenced by the donor. Some donors prefer funding projects with a strong emphasis on building capacity at central government level, for example, in competent authorities or investment in government

laboratories and equipment. Other donors prefer an approach targeting capacity at the producer level, addressing SPS matters in a value chain approach. Donors also have different perspectives on which value chains (and thus requirements and standards) to support or strengthen. This issue adds another dimension to donor engagement, i.e., serving not only as a source of funding but rather a collaborative partner that may influence technical aspects of project design and outputs.

A key question is then the following: when donor objectives don't match DTIS priorities, is there a way to ensure that donors give greater emphasis and priority to the DTIS recommendations? Or in other words, what avenues can be explored to bring donor partners on board with the findings of the DTIS, which put forward priority areas for reform that have been validated by the government? Multi-donor Trust Funds seem to be part of the answer. They are usually the reflection of efficient in-country donor coordination.

The case of Cambodia is noteworthy; through the very active engagement of the Ministry of Commerce (and substantial Tier 1 and other investment in that Ministry) the Trade SWAp became a very successful instrument for channelling resources to high priority, trade-oriented uses in a coordinated manner. Support from development partners is coordinated through the Multi-Donor Trust Fund managed by the WB and supported by the EU, Danida and UNIDO. Other donor-funded programmes – UNDP, ADB, IFC, EIF Tier 1, USAID, etc., – have been largely or partly aligned with the Trade SWAp to ensure support of shared objectives. Interviews in Cambodia revealed a willingness on the part of many development partners to align their activities with the Trade SWAp Roadmap, but some exceptions are also mentioned. The role of the Donor Facilitator is therefore very important in encouraging the direction of funds towards the highest priority projects without overlap or duplication. Notwithstanding, it is inevitable that the donors will fund those priorities that align with their own.

Coordination around the DTIS process has also worked well in Lao PDR, bringing in funding from Australia, the EU, Germany, Ireland, the USA and the WB (Trade Development Facility) and with implementation of a sub-component activity on SPS legislation supported by FAO.

In Tanzania, the overall picture of donor coordination seems largely positive. For the past decade the TA activities of bilateral and multilateral agencies in Tanzania have been coordinated through the Development Partners Group (DPG), in accordance with the Joint Assistance Strategy (JAST) agreed with the Government. The Secretariat for the DPG, which meets monthly, is provided by UNDP, which also serves as co-chair. The DPG has some 20 working groups covering, inter alia, agriculture and trade. Both donor representatives and government officials speak positively of the effectiveness of this framework for coordination, although there are also some observations that some development partners are inclined, nevertheless, to go their own way in terms of priorities.

Also, there is no correlation between the efficiency of the donor coordination mechanism in a country and the willingness of donors to establish basket funds. Tanzania's Trade Integration Strategy (TIS) 2009-2013 was based on a prioritization and updating of the DTIS Action Plan, with among other objectives, the following goal: to provide a mapping of current development needs and priorities within the Tanzanian trade sector, to map the role of current or planned bilateral development assistance within the sector, and identify possible areas of intervention for a Trade Sector Development Programme that will be supported by a multi-donor basket fund. The first phase of preparation of the TTIS was a gap analysis and AM update involving consultations with more than 100 individuals from public institutions, the private sector, NGOs, and development partners. The Trade Sector Development Programme has five priority components relating to trade constraints, including on SPS standards. The original design was that the Programme should be supported by a multi-donor single fund, and substantial effort was devoted to the creation of such mechanism. However, this model was not adopted and donors elected to proceed independently.

9.2 The DTIS and international organizations with a mandate in SPS matters

This section examines the specialized expertise of organizations and bodies with a direct mandate in SPS matters and their current and potential role in the DTIS process. There are different entry points in the DTIS process for agencies with specific skills, expertise and funding vehicles: (i) review of the Concept Note systematically; (ii) review of the Concept Note only in cases where SPS issues are prominent; (iii) review of the Terms of Reference of experts covering SPS matters; (iv) leading the components of the DTIS related to SPS matters; (v) reviewing the components dealing with SPS matters, carried out by the DTIS team; and/or (vi) contributing to broader SPS issues in the context of the EIF.

The EIF Focal Point, guided by the NSC proposes the MIE to carry out the DTIS. Full flexibility is encouraged so that the implementing entity that is chosen is best suited for the role with relevant capacity and expertise.⁴⁷ While MIEs have thus far had broad mandates (e.g., traditionally UNDP, UNCTAD or the WB), there is merit in arguing for the inclusion of specialized entities such as FAO (and its bodies IPPC and Codex), WHO and OIE to carry out or provide inputs in components within their respective area of expertise. This has been seen in the case of UNCTAD as the MIE, with UNIDO partnering to address components specific to quality infrastructure relating to testing, metrology, etc., and for DTISs where the WB was the MIE, FAO was on some occasions consulted on agricultural issues.

A greater engagement of organizations with a mandate in SPS capacity building can be at both global (EIF) and country (NIU) levels. Organizations with a strong country presence may provide a means to broker more effective dialogue between the SPS authorities and the NIU. Better engagements at country level means SPS priorities identified by the international organization, for example in collaboration with respective SPS authorities, could also be flagged at an early stage and prioritized under the DTIS.

⁴⁷ Tier 2 Project Guidelines.

A discussion of the practical modalities of EIF engagement with the bodies identified below, e.g., cooperation through a letter of agreement or other framework agreement, or enabling their involvement through a specific invitation of the beneficiary government, should be explored further with the specific organization, and does not fall within the scope of this Study.

9.2.1 FAO

The involvement of the Food and Agriculture Organization (FAO) in the EIF has been increasing but remains somewhat limited. FAO is an implementing partner for EIF Tier 2 projects in two countries (one of which is Nepal), and has provided occasional collaboration on agricultural chapters in DTIS in terms of identifying consultants and, in some cases, providing general comments. There are commendable ongoing joint efforts from the FAO and the EIF to mainstream trade in agriculture plans in LDCs as well as using DTISs as an input to FAO's Country Partnership Frameworks. FAO is recognized as leading global discussion and advancing policy on SPS, and provides extensive capacity development on plant, animal health and food safety at national and regional level. FAO's institutional expertise that bridges agriculture and trade strategies and investment plans can be harnessed more directly as part of the DTIS process; this may work considerably to improve coherence of agricultural and trade policies (see Section 5.9).

Greater engagement of FAO in connection with agriculture-related analysis would enable the organization to bring its specific expertise on plant protection matters, food safety, SPS legislation expertise, fisheries and aquaculture management, agri-business and agricultural trade policy development, as well as animal (terrestrial and aquatic) health matters in collaboration with OIE. Policy and technical decisions as to strategic export commodity options or linkages to global or regional agricultural value chains⁴⁸ require a holistic approach and multidisciplinary expertise. Greater FAO involvement would also come with a more complete picture of other ongoing or completed FAO activities in both the SPS and agriculture sectors generally in the country (where this is not available from NIUs) as well as the possible actions it can support in terms of implementation.

⁴⁸ Capra/Trade Facilitation Office Canada. 2014. Evaluation of the Enhanced Integrated Framework.

FAO's agricultural trade expertise bridges agricultural planning priorities such as increased sustainable production or food security, climate change and other production-related factors and the trade planning aspects, which focus more on pricing, cash crops, import and export.

A more systematic engagement of FAO can also yield benefits in raising awareness at national, regional and global levels of the role of DTIS for the agricultural sector through FAO's extensive network. For example at FAO's regional conferences, which bring together senior agriculture officials, presentations regarding the nexus between trade (DTIS) and agricultural strategies at national level can be made.

To enhance the treatment of SPS issues in the DTIS, the DTIS team could make use of FAO's Country Programming Framework (CPF) Tool (see Box 17).

Box 17. FAO's Country Programming Framework

[The CPF] defines the medium-term response to the assistance needs of member countries in pursuit of national development objectives that are consistent with the FAO Strategic Framework and Regional Priorities, the MDGs and other Internationally Agreed Development Goals (IADGs). The CPF defines the priorities for collaboration between FAO and the government and the outcomes to be achieved in the medium-term (4-5 years, aligned to national planning cycles) in support of national agriculture, rural development and food security development objectives as expressed in national development plans: Poverty Reduction Strategy Papers (PRSP), Comprehensive Africa Agriculture Development Programme (CAADP)/Compact, national food security strategies, national agricultural strategies, etc. It defines the priority areas for sustainable development of national capacities in the policy enabling environments in its organizations and individuals. The CPF also describes the types of interventions/outputs needed to achieve the outcomes, focusing on FAO Core Functions as the critical means of actions to be employed by FAO to achieve results, embodying the Organization's mandate and comparative advantages.

Source: <ftp://ftp.fao.org/TC/CPF/Guidelines/CPFGuidelines.pdf>

SPS and agriculture issues are identified in CPFs, and this tool could be used to make a stronger linkage between agricultural and trade imperatives, and will enable the identification of SPS technical issues that contribute to such goals. This engagement would be mutually beneficial – using DTIS recommendations as a consideration in the design of the CPF and using the CPF tool in the next cycle of the DTIS. This process may also bridge the gap between agricultural planning and trade planning at national level that is evident in many countries.

On the implementation side, FAO can provide assistance in addressing a variety of trade and SPS capacity-building needs within the framework of its Technical Cooperation Projects or as an implementing agency of donor supported projects including STDF, and Tier 2. For instance, a number of DTIS reports have indicated a need for SPS-related legislation⁴⁹, and indeed in some cases this has been carried out by FAO (for example in Lao PDR and in Nepal). Legal advisory services provided by FAO's Development Law Service may assist with the preparation of legislation, agreements and other legal texts relating to SPS frameworks, and provide advice on institutional structures and compliance with international SPS requirements and standards.

There are various modalities of engaging FAO: (i) serve as a partner through more systematic collaboration; (ii) provide technical inputs in the Compendium; (iii) be a DTIS team member, or at minimum, provide a review of the draft Concept Note that contains reference to SPS matters, the TOR and DTIS report; (iv) support the design and formulation of implementing projects; (v) provide follow-up implementation on SPS areas; and (vi) facilitate greater engagement with and access to relevant stakeholders at country level via the country representative.

Other options related to FAO hosted bodies (IPPC and CAC) are addressed below.

9.2.2 IPPC

The results of the PCE of the IPPC should be taken into account by the DTIS team for the report. The PCE is a diagnostic tool (see Box 18) enabling a country to assess the weaknesses and strengths of its phytosanitary system and to identify their

constraints for achieving full implementation of the IPPC at national level.⁵⁰ The rationale for PCE is based on an inventory of the functions and resources that must be available to comply with each international standard for phytosanitary measures and with the major categories of activities of a phytosanitary system established under the IPPC (technical justification, surveillance, certification, etc.).⁵¹ A PCE includes a SWOT analysis (i.e., strengths, weaknesses, opportunities, threats) and some elements for strategic planning in each module.

Box 18. IPPC PCE Tool

The PCE Tool:

- Provides for a self-assessment of national weaknesses and the identification of priorities by a national group of experts, followed by validation at the national level by a larger group representing all the actors of the national phytosanitary system, thereby promoting national awareness and consensus;
- Focuses the attention of the national experts on the important issues and facilitates analysis of the phytosanitary system in a systematic manner; and
- Reduces the variation among the judgements of experts facing the same situation (so the assessment becomes more objective).

Source: <http://www.fao.org/docrep/008/y5968e/y5968e0x.htm>

It should be noted that the results of the PCE are confidential, and it is up to the government to decide to release, perhaps certain segments of the report to the DTIS team in order to have a more strategic, informed and technically accurate report. However, it is envisaged that governments, upon the request of NIUs or DTIS teams would make certain information and findings available (more confidential information can still be restricted).

⁴⁹ For example, Bhutan DTIS 2012; Nepal DTISU 2010; and Lao PDR DTISU 2012.

⁵⁰ FAO. Identification of risks and management of invasive alien species using the IPPC framework, available at <http://www.fao.org/docrep/008/y5968e/y5968e0x.htm>.

⁵¹ Ibid.

IPPC regional meetings provide an opportunity to raise awareness of national plant protection organizations of LDCs on EIF/DTIS processes, and create linkages between national and regional policies on trade and plant protection.

9.2.3 OIE

OIE's expertise in animal health (terrestrial and aquatic animals), veterinary governance, and in setting international standards in animal health and welfare could be better utilized in the DTIS process. The OIE also helps governments that wish to modernize their national veterinary legislation and thereby help the Veterinary Services to meet the OIE standards through its Veterinary Legislation Support Programme (VLSP). The VLSP provides detailed legislative assessments and supports drafting activities. The OIE's laboratory twinning programme is also of relevance, particularly where laboratories are identified as target areas for capacity-building. The twinning programme strengthens expertise for critical animal diseases and zoonoses in priority regions, enabling a more balanced north-south distribution of advanced expertise, and allows more countries to access high-quality diagnostic testing and technical knowledge within their own region.

OIE's country and regional networks and processes are also potentially available for utilization. There are eight or nine national focal points on different areas in the veterinary sector whose role it is to keep the OIE delegate informed of all developments at country level. OIE's regional representatives also have an established relationship with country counterparts over a longer term, and thus, have a more profound understanding of regional dynamics, including trade. The OIE regional commissions and bureau meet once every two years, providing different fora for presentations to be made by the EIF on the role of DTIS and creating linkages with the veterinary sector at national level.

There are various modalities of engaging OIE: (i) obtain specialized veterinary and aquatic animal health sector inputs in the Concept Notes that contain reference to animal health matters, TOR and DTIS reports; (ii) utilize the information and expertise of the OIE Regional and sub-Regional Representatives, and related networks; (iii) contribute to the design and formulation of projects; and (iv) provide implementing support and advice for implementation projects.

PVS Evaluation Tool

OIE's Tool for the Evaluation of Performance of Veterinary Services (OIE PVS Evaluation Tool), is designed "to assist Veterinary Services to establish their current level of performance, to identify gaps and weaknesses in their ability to comply with OIE international standards, to form a shared vision with stakeholders (including the private sector) and to establish priorities and carry out strategic initiatives."⁵² The benefits of using the PVS Evaluation Tool are apparent from its objectives (See Box 19).

Box 19. OIE PVS Evaluation Tool

The OIE PVS Tools is designed to:

- Help determine the benefits and costs of investing in veterinary services/aquatic animal health services and, through the conduct of specific follow-up activities, identifying the actions and securing the investments that are needed to help improve compliance with the OIE standards for Good Governance.
- Provide the basis for carrying out a process of verifying compliance with the OIE standards and assessments of veterinary services/aquatic animal health services by external or independent bodies under the guidelines and auspices of the OIE;
- Through the conduct of a specific follow-up, i.e., the OIE PVS Gap Analysis, helping countries to identify priorities and present justifications when applying for national and/or international financial support (loans and/or grants) from national governments or international donors; and
- Provide a basis for establishing a routine monitoring and follow-up mechanism on the overall level of performance of the veterinary services/aquatic animal health services over time.

Source: <http://www.oie.int/support-to-oie-members/pvs-evaluations/oie-pvs-tool>

⁵² See the following webpage: <http://www.oie.int/support-to-oie-members/pvs-evaluations/oie-pvs-tool/>.

This Tool enables the development of priorities and strategies, i.e., provides a framework within which capacity building can be planned and systematically performed. It is a decision of national governments, represented by the delegate, as to whether and with whom a PVS report will be shared. The OIE encourages the OIE delegate to put the national PVS report in the public domain, or to at least share it with OIE partners and donors. Thus, as with the PCE Tool described in Section 9.2.2, although the findings of the report are confidential to the government, the latter can be encouraged through the NIU to release (at least parts of) the report. The reports of the subsequent step in the PVS Pathway, i.e., the Gap Analysis, are not placed in the public domain but may still be shared with donors contingent upon the permission of the government. OIE convenes round table strategic planning processes as an option subsequent to an initial PVS Evaluation. Further, at the request of Member countries, the OIE carries out a PVS follow-up mission, to assess developments since the previous PVS Evaluation.

9.2.4 Experience with the OIE PVS and IPPC PCE Tools

As a general observation, a majority of the countries under the present study have undergone one or more of the PCE or PVS assessments, but they are rarely referenced in the DTIS reports. Beyond the technical content of these reports, there are several strategic advantages of using these assessments. SPS is an area in which many of the capacities and functions are interrelated, and involve looking at many technical aspects together, not just one issue in isolation. This makes having the contextual and comprehensive analyses of these Tools, particularly useful. Particular personalities or individuals at country-level or on the DTIS team sometimes drive priorities, and this may result in subjective assessments. These standardized assessments are a more neutral (and thorough) assessment of the existing needs and areas for investment. The Nepal 2010 DTISU noted that both PCE and PVS assessments required updating, and such information may be highlighted to the IPPC focal point or OIE delegate. This illustrates the mutual benefit of considering these Tools during the DTIS elaboration process.

There may be a range of reasons why these Tools have not been used more in the DTIS process: the DTIS may have pre-dated the evaluations; the DTIS countries did not make them available to the study team (as is expressly pointed out in the Nepal 2010 DTISU); or assessments were consulted but were not used or simply not referenced.

In the case of Cambodia, a PVS evaluation was carried out in 2007. The second-phase gap analysis was conducted in 2011, and subsequently taken into account in the updating of the national strategic plan for agricultural development (prepared by the Ministry of Planning). This strategic plan is, in turn, reflected in the Government's national Rectangular Strategy, now in its third cycle. A PCE has also been carried out in Cambodia. Neither of these capacity evaluation initiatives is specifically mentioned in the 2014-2018 DTIS, but the SPS/TBT chapter does reference, amongst other documents, an Action Plan to Improve SPS Capacity in Cambodia developed by FAO (STDF/PG/246, 2010). An interviewee from Cambodia indicated that the PVS report was consulted during the preparation of the report but that its content is too specific to be directly reflected in the DTIS report. This raises critical questions beyond issues of access and use of such assessments. How can the contents of such comprehensive assessments be further distilled to prioritize critical areas of focus (from a trade perspective)? And who is best placed to make this decision?

An OIE PVS Evaluation and a Gap Analysis have been carried out in Tanzania, but the DTIS team did not refer to the reports. The IPPC's PCE was completed in 2005. The DTIS was completed in 2005, meaning these were perhaps conducted afterwards, and there is a possibility that some activities overlapped but there are no references to this in the DTIS.

One option to ensure that PVS and PCE are taken into account is to have the DTIS team member expert systematically check with NIU and/or the FAO country representative, IPPC contact point or OIE delegate whether such evaluation has been carried out, and whether the results of any relevant capacity-building projects are available for review.

9.2.5 FAO/WHO food safety assessment tools

An FAO/WHO tool to assess national food control systems and food safety needs is currently under development as is a diagnostic tool for assessing the status of national Codex programmes. These tools are useful for countries to identify priority areas to be strengthened. Country reports from this process may be used in the DTIS similarly to the PCE and PVS Tools.

9.2.6 WHO

The World Health Organization (WHO), the leading organization for public health within the United Nations system, supports countries by establishing appropriately resourced offices in countries or by providing support from headquarters and regional offices. In particular, through the WHO Country Cooperation Strategy⁵³, WHO supports the country's national health policy, strategy or plan. WHO works towards greater policy coherence between trade and health policy so that international trade and trade rules maximize health benefits and minimize health risks, especially for poor and vulnerable populations⁵⁴ (see Section 5.9 for the importance of policy coherence). In close collaboration with FAO, WHO also provides the Codex Alimentarius Commission with scientific advice to support standards setting.

WHO supports developing countries in their efforts to implement a risk-based approach for food safety including the involvement of scientists to contribute to international risk assessment. WHO provides training to countries in the prioritization of hazards as a function of their potential impact on public health and provides technical support for the choice and the implementation of risk mitigation measures. The organization also takes into account data and information from developing countries, e.g., dietary patterns, to assess the risks and the benefits of potentially hazardous substances in food. WHO is also establishing a network of National Institutions and Collaborating Centres to collect and to analyze data and information relevant for risk assessment purposes.⁵⁵ This network is also creating synergies at regional level to establish regional strategies for trade and health. Furthermore, WHO

assists countries in using the global disease burden estimates to raise awareness on food safety and in estimating the national burden of disease of selected food hazards in order to prioritize resources for risk mitigation measures.

The modalities of engaging WHO, in the context of SPS capacity building, thus include: (i) provide advice on the relevance of projects from a public health point of view both at global and at country level; and (ii) contribute to implementation, when relevant, through the WHO Regional and Country offices.

9.2.7 STDF

The STDF supports developing countries in building their capacity to implement international SPS standards. The STDF works towards: (i) increasing awareness, mobilizing resources, strengthening collaboration and identifying and disseminating good practice; and (ii) in providing support and funding for the development and implementation of projects that promote compliance with international SPS requirements.

There are a number of entry points in the DTIS process for STDF that are particularly suited to its mandate. The first avenue for greater cooperation with STDF is via its role in funding and designing projects (project formulation is identified in Section 10 as a critical gap in the DTIS process impeding follow-up and implementation following a DTIS validation). The EIF and STDF have already developed a project formulation module that could be rolled out more widely. Another option is that a review of all Concept Notes can be funnelled via STDF for distribution to its Working Group members for comments. Finally, a third area for consideration is a more systematic use of the STDF Multi Criteria Decision Analysis (MCDA) tool to help prioritize SPS issues vis-à-vis other interventions.

⁵³ See the following webpage: <http://www.who.int/country-cooperation/what-who-does/ccs/en/>.

⁵⁴ See the following webpage: http://www.who.int/entity/trade/trade_and_health/en/.

⁵⁵ See the following webpage: http://www.who.int/entity/foodsafety/areas_work/chemical-risks/gems-food/en/index.html.



10. UPTAKE AND IMPLEMENTATION

10.1 Overview

In surveys undertaken regarding the EIF and the DTIS, while LDC participants noted general benefits from the EIF process, they indicated that they were not always aware of EIF activities that were taking place nor were they able to distinguish these from

other Aid for Trade-related assistance.⁵⁶ Box 20 provides a look into Nepal's experience in DTIS implementation.

⁵⁶ SPOTLIGHT: What are the lessons from EIF implementation? - http://esango.un.org/ldcportal/trade/message-boards/-/message_boards/message/62932?ismKey=2208&messageId=62932

Box 20. Commentary on Nepal's experience in implementation and follow-up

Despite preparation of Nepal Trade integration Strategy (NTIS) and identification of 19 potentially exportable products, less than 40% of the approved budget of about US\$1 million of Tier 1 has been utilized in a period of more than two years. Nonetheless, there has been satisfactory progress on Tier 2 projects – US\$1.5 million project for ginger development has been approved and is under implementation [...]. In sum, the result of EIF is not as expected but has contributed to improve coordination among different government institutions, private sector organizations, and other stakeholders, to build capacity of trade officials and private sector, and strengthen institutional capacity.

- The following could be the lessons from Nepal's experience:
- Dynamic NIU and FP along with timely hiring of competent supporting staffs, including international consultants, is key to the success of EIF;
- EIF Technical Committees headed by concerned ministries/agencies could help identify projects of practical importance;
- Engagement of private sector and civil society organizations in the EIF process ensures ownership of the projects; and
- Establishment of donors' coordination mechanism and institutionalizing it is a must for the success of EIF.
- There should be an in-built system for monitoring and evaluation of the activities, processes, outputs and performance.

Source: Commentary by Raj Panday in SPOTLIGHT: What are the lessons from EIF implementation?⁵⁷

It is not easy to discover to what extent there has been a follow-up to the DTIS recommendation either through Tier 2 or through other (non-Tier 2) SPS-related initiatives. Conversely, it is difficult to find out whether post-DTIS TA programmes match the AM or have even considered the DTIS during their formulation stage. Such an analysis is

limited by the amount of information available from governments and donors that is readily available and up-to-date. Even when aid assistance is reported by the donor, it is often challenging to track down SPS capacity building flows, because it is sometimes provided as part of larger economic growth and poverty alleviation programmes aiming at export promotion, competitiveness, rural or private sector development for instance. As a result, the components addressing SPS needs are hidden and

⁵⁷ Available at http://esango.un.org/ldcportal/trade/message-boards/-/message_boards/message/62932?ismKey=2208&messageId=62932

not always easy to identify based on the title of a programme or its overall objectives.

A lack of information and coordination leads inevitably to overlap between donor activities, lack of synergies, duplication of efforts and under-optimal use of the scarce resources dedicated to SPS. That this data is not easy to find is a gap that requires attention. One method to obtain this information is to request officials in the countries to review the list of SPS-relevant items in the DTIS or DTISU AMs and advise what relevant SPS technical assistance projects or local initiatives have ensued. In attempting to carry out interviews to determine information for this Study it has also been difficult to find officials with the relevant knowledge. This links back to the recommendation that an important role of the NIU is to maintain information provided by the line Ministries and to serve as a repository for technical assistance relating to the different areas identified in the DTIS/AM, including SPS but equally, these authorities could track this information independently for their own planning purposes anyway.

One option is the use of databases such as those administered by the Organisation for Economic Co-operation and Development (OECD) databases on aid activities and related financial flows.⁵⁸ The Aid for Trade database, for example, provides detailed breakdowns by sector (not SPS matters as a collective, but rather broken down into plant protection, livestock, etc.) by region, country and donor and time period. A simpler version of this database could be developed by the EIF for DTIS-specific data, that may draw upon some information existing from the OECD database and also the country-level information to be provided by NIUs as recommended in this Study.

10.2 Tier 2 and other follow-up projects relating to SPS

The EIFTF complements the funding available from bilateral and multilateral partners through funding Tier 2 projects. Tier 2 projects are aimed at filling gaps and assisting in the implementation of catalytic and priority projects identified in the DTIS AM.⁵⁹

One of the purposes of the AM is to enable the government and donors to develop a prioritized framework for actions and interventions; thus the AM should be perceived by governments and donors alike as a valid and accurate planning tool. However, a direct relationship between a Tier 2 project's SPS component and the recommendations of the AM is not immediately apparent. This may be explained in part by the lapse of time between validation and Tier 2 project design, and also by the probability that different individuals choose the Tier 2 topic and design the project, than those who developed the DTIS or the DTISU.

Annex 6 displays in a table format the type and scope of follow-up relevant to SPS for all the countries in the Study. Having significant focus on SPS matters does not automatically translate into significant or effective follow-up in terms of Tier 2 proposals, or indeed any other follow-up. Bhutan's experience illustrates this. The converse is also evident; there has been SPS-related implementation and follow-up in Guinea-Bissau despite a limited focus in its DTIS 2010. Similarly, although the 2004 DTIS contained limited SPS references, Mozambique has approved seven Window II projects, some of which include SPS.⁶⁰ Some studies with a significant SPS focus (e.g., Burkina Faso DTISU 2014) have been fairly recent, which perhaps accounts for a lack of significant follow-up to date.

In the selection of projects to be submitted for Tier 2 funding, given that it is a competitive process, it is an open question whether funding is allocated to those who have a place around the table and who have lobbied for their needs to be addressed as a priority. The decision to give priority to a particular sector or type of activity within the AM is that of the government after a documented process of consultation involving all country-level stakeholders and concluded with the approval by the NSC.⁶¹ Again, this highlights the need for SPS agencies to be a part of national decision-making mechanisms and to make a case for SPS-related projects that were considered a priority in the DTIS AM (or the DTIS report). Proposed projects should not duplicate any pipeline or existing donor projects. Therefore, taking into account that previous and ongoing technical assistance is necessary to design coherent cooperation programmes. This is expressly

⁵⁸ See the following webpage for a general overview of the types of information collected: <http://www.oecd.org/development/stats/idsonline.htm>; and see the following webpage for a specific database: <http://www.oecd.org/dac/aft/aid-for-tradestatisticalqueries.htm>

⁵⁹ Tier 2 Project Guidelines.

⁶⁰ Among the areas covered, relevant to SPS, are: (i) fishery laboratory equipment; (ii) training to use the laboratory equipment; (iii) fish quality control; (iv) preparation of foreign trade manual; (v) project to accelerate standard development process; and (vi) improvement of data collection and production of Foreign Trade Standards.

⁶¹ Tier 2 Project Guidelines.

a requirement in the EIF Tier 2 Project Guidelines. However, as mentioned above, the information on previous, ongoing or planned technical assistance is not readily available to facilitate this process.

Box 21: Tier 2 project in Nepal: Enhancing Sanitary and Phytosanitary Capacity of Nepalese Ginger Exports through Public-Private Partnerships

The project aims to raise incomes of ginger-producing households in Eastern Nepal by improving the quality of ginger, increasing capacity to comply with SPS requirements and enhancing market access. The project encompasses a series of interventions, based on a value-chain approach, involving stakeholders from ginger farmers, collectors, traders, cooperatives and ginger producer/trader associations, as well as local Government departments responsible for demonstrating compliance with the SPS requirements of trading partners.

The project will contribute to achieving the following results: (a) ginger washing/processing facility designed, constructed and operationalized and producer organization strengthened; (b) relevant training and technical materials on Good Agricultural Practices (GAPs), post-harvest handling and sanitary and phytosanitary requirement developed and capacity enhanced; (c) supply of quality ginger rhizomes of improved marketable cultivar available; (d) study on regional and international markets for fresh and processed Nepalese ginger and market (SPS) requirements; and (e) improved capacity of the Nepalese Government to negotiate and demonstrate compliance with SPS import requirements of trading partners.

This is a joint project supported by the EIF and STDF.

In the focus countries, ten countries have Tier 2 projects funded by the EIF that relate to SPS area support under the two rubrics of agribusiness or standards. Benin, Cambodia, Burundi and Nepal are examples of countries with strong SPS-focused Tier 2 projects. See Box 21 for an example of the Tier 2 implementation in Nepal.

A critical step between DTIS validation and Tier 2 implementation is follow-up project design; only a minority of LDCs appear to have the necessary expertise at country level for this across the spectrum

of priority areas. Thus, interventions facilitating project design are essential. One mechanism that can address this gap is the PPG under the STDF (see Section 9.2.7 above) as well as project preparation facilities available through the EIFTF.

Cambodia appears to have had the most significant follow-up on SPS matters, and consistently across different DTIS. The 2002 DTIS proposed action in relation to SPS issues affecting potential exports of rice and freshwater fish, as well as reform of the activities of the inspection agency (Camcontrol). These actions were subsequently incorporated in technical assistance projects.

Two elements can explain this successful follow-up in Cambodia: (i) the efficient donor coordination mechanism established by the Ministry of Commerce - the breadth of information available is also indicative of an NIU that has monitored and coordinated implementation; and (ii) the support provided by donors to design follow-up projects. Indeed, Cambodia has benefitted greatly from the ADB's extensive investment in the design of projects that it will fund; the WB obtained consultant assistance to design projects that would begin implementation of the Action Plan prepared under project STDF/PG/246; and local counterparts have received assistance in the preparation of proposals for Tier 2 projects. Such project design necessarily involves close consultation with the relevant Ministries, even if this interactive process sometimes results in projects that have elements regarded by some as low priority (e.g., excessive investment in the development of laboratory capacity).

Another example of implementation with a large SPS focus is in Burundi. Burundi is also indicative of how the DTIS process has successfully taken on board lessons learned in previous DTISs. In commenting on the follow-up after the 2003 DTIS, the Burundi DTISU 2012 states "the targeted support provided to selected non-traditional exports, such as essential oils, PVC tube production, cut flowers, and several fruits and vegetables as part of the IF Window II projects implemented after the DTIS had very limited results. In fact, several of the targeted exporters have gone out of business within a short period after receiving support from the original IF because numerous regulatory obstacles, supply-side constraints, and channels to reduce transaction costs have remained unaddressed in the export diversification strategy." This highlights the need for a cross-cutting approach. Burundi's Tier 2 project on strengthening capacities for conformity with SPS measures and for the development of trade

is designed to enable goods produced or traded in Burundi to meet SPS requirements. The project supported targeted value chains (fresh fruits and vegetables, coffee) to improve their quality and export competitiveness by complying with SPS requirements. It involved different stakeholders including the Burundi Standards Bureau and the Plant Protection Department, with four laboratories and producers from different agro-industries. The project attracted additional funding from the government of Norway.

Tanzania's DTIS AM proposed the development of a quality vendor programme linking small local producers of fresh produce and meat suppliers with hotels/restaurants. A tourism-related project developed by the UN Office for Project Services that incorporates a component directed at increased procurement of safe, high-quality Tanzanian horticulture and organic-based products by the tourism sector has now reached a very advanced stage, with support from the Swiss State Secretariat for Economic Affairs (SECO). The project will be implemented in the period 2014-2016. The project designer has reported that the country FPs worked very effectively in their consideration of this project proposal. A Window II project, 'Capacity Building for Trade Development and Integration', contained a hotel classification component but does not directly address food safety.

The Lao PDR DTISU 2012 identified clear areas for support by development partners including assistance in solving gaps in basic SPS capacity, including for (i) developing human and technical capacity; (ii) designing proper work plans; and (iii) drafting Standard Operating Procedures (SOP); assistance with the preparation of a national strategy for laboratory development; supporting quality management in SPS laboratories; expanding SPS support for export promotion to new product-market combinations; and supporting the assessment of directions, modalities and priorities for ICT-based systems in SPS services (and investment therein). Many of these areas are addressed in the Multi-Donor Trade Development Facility and the Asian Development Bank's (ADB) regional project on SPS compliance and trade facilitation.

An analysis of STDF project grants (see Annex 5) shows approximately 1262 grants that relate specifically to countries included among the 20

under study in this exercise. Of these 12 projects, there are approximately three that appear to respond more or less directly to action items included in DTIS or DTISUs. For example, following the Nepal Update (2010) a sector project on ginger was developed with joint funding from EIF Tier 2 and STDF. There are also about 16 PPGs that concern the same sample of countries and of these, about six appear to respond to AM items. Thus, it can be seen that SPS support projects do exist, although there is insufficient evidence to directly link these initiatives to the DTIS process, i.e., that they are a result of the DTIS. The STDF funding application has a specific criterion for LDCs as to whether the issue under request for funding has been identified in the DTIS; if so, the project scores higher and has an increased chance of attracting the requested funds (see Section 9.2.7 for a further discussion of an increased use of this mechanism).

Under Tier 1, Vanuatu has funded work towards the establishment of a National Diagnostic Laboratory, and continues to engage with donors for further funding. Sustainability of investments remains an issue given the limited number of experts with appropriate skills.

10.3 Examples of uptake and integration in national policies

Following Cambodia's 2002 DTIS, border reform was one of the issues taken up in the 12-point Trade Facilitation Action Plan of 2004 which included actions such as implementation of a national risk management approach and conduct of a strategic review of Camcontrol. The 2015 FAO support for the development of a new food safety law derived from the identification of institutional restructuring needed for better SPS control in the TIS 2014-2018. Also following the latter TIS, the Ministry of Commerce worked closely with the Ministry of Planning and the Supreme National Economic Council to ensure that the 20 strategic outcomes would be mainstreamed in the new National Socio-economic Development Plan 2014-2018 (Ministry of Planning's responsibility) and the Government's Rectangular Strategy – Phase III (SNEC). The new five-year Agricultural Development Strategic Plan that is currently being drafted by the Ministry of Planning is being aligned with the Royal Government of Cambodia's Rectangular Strategy, into which the 2014-2018 DTISU was one of the inputs.

In Tanzania, a Tier 1 project for a Capacity Development for Mainstreaming Trade Project with a budget of US\$3.55 million included the goal of

⁶² Numbers are given only approximately in this analysis because of the need to exercise judgment on classification of project grant and programme preparation grants.

improving the capacity of the Ministry of Industry and Trade and other ministries to mainstream trade development in their plans and strategies. The Tanzania TIS is reflected in the second national development strategy for the period 2010/2011 to 2014/2015 (MKUKUTA II).

In Guinea-Bissau, there has been uptake of the DTIS in the Poverty Reduction Strategy (2012), which incorporated the AM (thus including some SPS references). Malawi's National Export Strategy (2011-2012) references DTIS on SPS matters.

Vanuatu developed a Trade Policy Framework (TPF) partially based on the DTIS, but with a more focused and specific agenda. Recommendation XIV of the TPF advocated for a "comprehensive SPS/TBT policy [to] be drafted to clearly allocate responsibilities amongst the various entities playing a role in this area" and recommendation XV "implement the Act establishing a chamber of Agriculture to engage farmers on SPS/TBT and agriculture issues".

10.4 Options for follow-up and implementation

A first step for good follow-up and implementation following a DTIS would be the development of secondary Action Plans (building upon the principal AM of the DTIS or DTISU) for the various trade sub-sectors, which include details of the intervention and costing. Another intermediate step is to develop a formal or informal way of providing project formulation assistance subsequent to the DTIS validation.

NIUs could be tasked with reporting in a consistent and uniform format, on the extent to which there has been uptake of DTIS recommendations in national and sectoral strategy/planning documents and on the number of projects that directly correspond to the DTIS recommendations/AM.

An evaluation of the extent to which the DTIS has been successfully implemented, and the provision of an explanation as appropriate for those situations where recommendations have not been put into effect or not implemented well, should be carried out by NIUs in collaboration with the relevant sector Ministry/institution. This should either be in the framework of a DTISU or, within a set number of years, as a separate evaluation exercise to determine how effective the DTIS has been.

Endorsement of a DTIS should be the signal for vigorous follow-up to turn the ideas sketched in the DTIS into concrete, detailed project proposals.

A pro-active approach to project design facilitating the flow of resources from development partners into specific implementation activities is needed. There is potential for the STDF PPG procedure to play a greater role here, although the initial request must come from beneficiary countries. Either via STDF or other external experts, assistance with project development, a frequently cited bottleneck to Tier 2 implementation, may shorten the time between conception and project approval. This may require some budget to be set aside by NIU/EIF to fund such external consultant where a donor agency cannot assist with project formulation.⁶³

The Trade SWAp/Roadmap model adopted in Cambodia as the means of integrating the DTIS framework with an implementation, supervisory and funding approach that is suitable for local circumstances is also an option. One of the purposes of the Trade SWAp is to improve coordination and overall management of aid for trade and to monitor progress against the strategic directions and actions identified in the 2007 DTISU.

On a final note, across the 20 countries in this Study, the average time since a DTIS or DTISU was last validated is over five years, with eight out of the 20 being at least seven years old (although this trend is changing given that a number of DTISUs are underway). One aspect to be considered is that where a study is more than three years old, it is less than probable that it will be used as a source of guidance for technical assistance partners in choosing priority SPS capacity-building initiatives (although it is recognized that SPS capacity-building is a long-term endeavour and needs usually do not evolve quickly over time). If it is unfeasible to decrease the time period between a DTIS and a DTISU, one option may be to undertake a periodic stocktaking exercise (for SPS, as well as other sectors). This is similar to the regional gap analysis carried out by the STDF in 2008 in which it performed a review and a consolidation of existing needs assessments (primarily based on the DTIS reports but also on other documents and programmes)⁶⁴ and compare them with technical assistance provided and planned for LDCs, thus enabling a determination of outstanding needs. This task can be led by the NIU in consultation with SPS authorities.

⁶³ See SPOTLIGHT: What are the lessons from EIF implementation? http://esango.un.org/ldcportal/trade/message-boards/-/message_boards/message/62932?ismKey=2208&messageId=62932 for further commentary.

⁶⁴ STDF. 2009. Overview of SPS needs and assistance in eight LDCs. WTO SPS Committee. G/SPS/GEN/900.

Chapter 10 Summary

This chapter investigates the degree of follow-up or uptake of DTIS recommendations (and use of the AM) at national level through projects, Tier 2 and other funding, and integration in country development strategy documents.

- As there is no systematic comprehensive system of reporting by donors, aid assistance figures and information difficult to obtain, and even where it is possible, SPS-specific segments in broader projects are difficult to identify.
- This lack of information and coordination may lead to overlap at country level between donor activities, inconsistent approaches, duplication of efforts and under-optimal use of the scarce resources dedicated to SPS.
- Owing to the consultative and multi-sectoral approach to its development, the AM legitimacy can be considered a valid and accurate planning tool to be used by government and donors alike.
- Significant focus on SPS matters does not automatically translate into significant or effective follow-up in terms of Tier 2 proposals, or indeed any other follow-up.
- Project development is a frequently cited bottleneck to Tier 2 and wider funding. A critical step between DTIS validation and Tier 2 implementation is project design; only a minority of LDCs appear to have the necessary expertise at country level for SPS-related projects.
- There is little readily available information on donor or other technical assistance covering areas identified for action under DTIS.
- The average time in the selected countries since a DTIS or DTISU was last validated is over five years, although this is changing with a number of DTISUs underway.

11. COMPENDIUM OF EIF DOCUMENTS' GUIDANCE ON SPS ISSUES

This section reviews existing EIF guidance documents on DTIS elaboration and implementation (primarily the EIF's 2011 Compendium), and looks at the extent to which this guidance is sufficiently detailed to promote a coherent cross-cutting analysis of trade integration challenges and an adequate coverage of SPS issues.

11.1 Generic guidance relevant to the treatment of SPS-matters

The Compendium notes that the DTIS should serve as an instrument to conduct a “deeper analysis of these constraints beyond descriptive evidence [...] and suggest a series of pragmatic remedies and trade policy reforms that should be identified [...]” Some of the SPS-related sections in the DTIS reports analyzed, as noted in Section 5.2 of this Study, contain more often than not a description of the institutional arrangements, and a description of the challenges faced (both of which are useful). However, the reports reviewed are much weaker on pragmatic and technical aspects of institutional reform.

In addition, the Compendium notes that DTISUs should highlight “any relevant lessons learned during the previous DTIS exercise and the implementation record of the IF/EIF at country level.” This linkage and follow-up is not always evident in SPS-centered discussions in many DTISUs, as discussed in Section 4.4.2. The Compendium could also indicate that the DTISU must track the progress of the previous AM, and account for any challenges in implementation. This also works towards ensuring the same bottlenecks do not impede implementation of the new AM in the DTISU.

The Compendium encourages the AM to be presented in a format that can easily be integrated into a country's Poverty Reduction Strategy Paper or development plan in the short term and “form the basis for more specific trade and private sector development programmes to be formulated by the government [...]” Thus, it is likely that unless SPS matters contribute quite significantly to the country's overall trade priorities, SPS will not receive detailed attention in the AM (see the discussion in Section 4.5). The Compendium also underscores the need to use additional plans and tools that build

on the AM, therefore providing an entry point to recommend that where SPS issues are raised in the AM to develop SPS-specific plans (see Section 4.6). The Compendium requires that the AM lists the existing and potential donors (including where a pledge was already made). For existing programmes, it encourages that the support that has recorded a measurable impact with regard to effectiveness be documented. This information has not always been included in AMs generally, nor has it been for SPS issues in particular. The recommended column headings for AMs are explored in Section 4.5.1. This section provides some ideas on possible updates to the Compendium to ensure a more effective presentation of the AM.

The Compendium directs the DTIS team to provide as much capacity-building support as possible to stakeholders during the drafting or updating process to ensure ownership and adequate follow-up during the implementation phase with a view to sustainability of the impacts, results and processes in the long term.⁶⁵ It may be useful to expand upon the options and approaches available to the teams to ensure this is actually taken on board.

11.2 Guidance on SPS issues

While the Compendium provides a template, i.e., an indicative example of trade issues to be covered in DTIS rather than a prescriptive list of issues to be analyzed, the guidance notes indicate that “not all topics are covered in every DTIS nor is there the expectation that they will be covered in their entirety in future DTIS or DTIS Updates.” It is logical that this process should be flexible and tailored to the specific needs and circumstances of each country.

Although there is a DTIS report template structure provided in the original Compendium, it is very broad, with only five main headings. With the approval of the FPs, DTIS teams may need to adapt the final document in a manner they see as most appropriate to the content of the information they receive. The template structure provides a ‘space’ for SPS

⁶⁵ *Compendium of EIF Documents: A User's Guide to the EIF and the Concept Note Sustainability of EIF Tier 1 projects to support NIAs.*

consideration under a chapter on Trade agreements and market access, which falls under the main heading of Overall Trade Issues. Here the specific guidance calls for: “An analysis of possible access challenges in export markets, such as standards including sanitary and phytosanitary standards (SPS), technical barriers to trade (TBT), tariff peaks and tariff escalation, including modalities and options to comply with such requirements, and to take advantage of the opportunities”.

There is an additional reference to SPS in a chapter on standards and quality infrastructure (see Box 22), which falls under the main heading of Cross-sectoral Issues and Institutional Framework for Trade, Investment and Growth. It is possible that some of the confusion in terminology stems from lumping standards and quality infrastructure together (see Section 5). While the topics are related, a separation of the different areas in the Compendium may enable a more technically accurate treatment of the respective topics that fall within that large umbrella. Separating SPS from quality infrastructure, yet encouraging the linkage and treatment in a holistic manner in the report will also enable a much more focused and prioritized approach.

Box 22. Compendium of EIF Documents - Guidance on SPS matters

Standards and quality infrastructure

A country's standards regime and quality infrastructure (e.g., metrology, standardization, testing, quality management and conformity assessment, including certification and accreditation), including but not limited to SPS measures, has an important impact on its integration into the world economy.

Therefore, it would be important to identify respective constraints and capacity issues of national or regional quality infrastructure as they relate to trade. In any case, the minimal basis of a quality infrastructure is needed for any recognized conformity assessment with international standards. However, for specific topping-up, this issue can more appropriately be dealt with in sectoral studies. It is encouraged to consult the Standards and Trade Development Facility (STDF) and use the findings and results of SPS-related capacity assessment tools developed by international and other organizations where applicable.

Specific issues could identify the following: products where standard issues have already been raised or are likely to arise as exports develop; policies, infrastructure and training needed to promote higher standards throughout the production chain; and the potential for LDC producers and exporters to participate in sustainable production and trading practices and the potential costs and benefits of adopting such standards.

Extract from the 2011 Compendium, at p. 56.

There is scope for introducing footnotes in the relevant chapter to explain the various uses of the words ‘standards’ and SPS measures, including identifying ‘compulsory’ requirements and distinguishing those from other types of standards, including quality and voluntary standards.

Given the importance of SPS challenges to agricultural trade, and the fact that typically, very specific expertise is required to address these issues, which is not always available in an agriculture specialist; and recognizing that resource limitations may not always allow to accommodate both types of expertise, the EIF may consider the inclusion of

separate guidance notes specifically for SPS matters, either on the basis of a briefing note or a checklist, which could detail the types of information to be considered and collected when addressing SPS aspects including for each of the sub-topics (food safety, animal health and plant health) and where to source it. This may be the appropriate entry point to bring to the attention of the team the need to review industrial and other policies to ensure coherence at national level, and to analyze regional and sub-regional instruments which may impact SPS management at country-level directly or indirectly.

The DTIS guidance notes contain a procedural checklist and have ostensibly avoided a substantive checklist, perhaps wishing to avoid a 'one-size-fits-all' approach, or the danger of being overly prescriptive. However, options may be explored to develop a briefing note for the SPS area given that it is a highly specialized topic, in a manner that allows for maximum latitude but still provides accurate and useful advice. Where a DTIS country enjoys export potential in agri-food, livestock, fishery or forestry products, this may trigger examination of a checklist of different items (e.g., institutional mechanisms, certification processes, pest and disease situation, etc.) to ensure that all relevant matters are covered appropriately. This document may be prepared in collaboration with standard-setting bodies, i.e., Codex, IPPC and OIE (see Section 9 for further discussion of the roles of these bodies in the DTIS process).

Furthermore, in the DTIS guidance documents, an indicative list of national authorities to be consulted could be included (this may also be valid for other sectors as well, but particularly so given the complexity of SPS issues). Unlike trade or customs aspects where the responsible authority is easily identifiable, the competent authority for certifying food aspects of fish or meat or inspecting imports of these products may not be apparent (particularly because these are not always clear to government counterparts themselves). Consultations with national stakeholders are explored in Section 7 of this Study.

It is also important that the most appropriate institutions are consulted and represented, for example on the NSC, or on the Working Groups under it. In Cambodia, the list of persons consulted in the preparation of the SPS/TBT chapter of the 2014-2018 DTIS shows a significant number of key individuals in the relevant agencies of the Royal Government of Cambodia, including various branches of the Ministry of Agriculture, Forestry and Fisheries; the Ministry of Health; the Ministry of Commerce (Camcontrol); and the Ministry of Industry, Mines and Energy (Institute of Standards of Cambodia).

The DTIS template also has as a main heading: Sectoral studies, which recommends looking at, among other factors: production and export expansion in terms of external market conditions; scope for increased production, export diversification, sectoral constraints such as regulatory changes, capacity building and investments. Sectoral studies in agriculture or horticulture products would usually trigger some SPS discussion, and as this linkage is not made in the Compendium, it is recommended that a cross reference to SPS matters is included here.

Chapter 11 Summary

This chapter looks closely at the EIF Guidance documents to assess the extent to which these documents promote adequate coverage of SPS issues.

- The Compendium provides a basic DTIS template structure, indicates that not all areas will be addressed in a DTIS, provides a procedural checklist, notes that DTISU could include lessons learned and the implementation record, and states the need to use additional plans and tools that build on the AM.
- Compendium guidance indicates that unless SPS matters contribute quite significantly to the country's overall trade priorities, SPS will not receive detailed attention in the AM.

Key conclusions and recommendations

- Develop a checklist of information to be considered and collected when addressing SPS aspects including for each of the sub-topics (food safety, animal health and plant health):
 - Specifics on what cross-cutting issues may arise and relevant policy linkages;
 - Regardless of the structure of the DTIS report, emphasise the need to make cross-linkages/ references that link SPS to broader issues reviewed;
 - Identify examples of stakeholders to consult;
 - Encourage uniform and accurate use of terminology; and
 - This checklist should be developed avoiding a one-size fits all template and not duplicating the function of existing PCE, PVS or similar Tools.



12. RECOMMENDATIONS

While SPS compliance issues are referenced to some degree across almost all of the DTIS and DTISU reports reviewed, this Study highlights the need to address these issues in a more comprehensive and systematic manner. The DTIS report is the end product of a long process that starts at the initiation of a request from the EIF country and culminates with the validation by national stakeholders and integration into country programming. To improve the robustness of the SPS issues analysis therein, attention should be paid to the entire process. Enhancing the DTIS process is also crucial to facilitate the subsequent implementation of the priority interventions identified.

Building on the lessons learned from the current practice in DTIS elaboration and the good practice identified in the study, key recommendations focus on the following aspects, clustered around three principle themes, namely:

- Strengthening the analysis on SPS compliance issues in the DTIS report
- Enhancing national capacity to implement SPS-related recommendations in the DTIS, and
- Exploiting synergies in EIF and SPS-related processes

12.1 Strengthening the analysis on SPS compliance issues in the DTIS report

Make use of relevant SPS-related evaluations and explicitly refer to them in the DTIS report. Prior evaluations of the country's SPS system, notably using the PCE tool of the IPPC and the PVS pathway of the OIE, should be used to inform the DTIS analysis. Other SPS-related reports and studies may also be available (including via the STDF Virtual Library⁶⁶) and should be consulted.

Combine the horizontal and vertical analyses of SPS matters. It is good practice to ensure that DTIS reports include a separate SPS chapter or section containing an in-depth analysis of issues related to SPS policy and, institutional and regulatory frameworks, as well as critical gaps in capacity

that may act as limiting factors to achieving policy objectives. It is also useful to address SPS constraints, wherever relevant, in other chapters, for instance focused on specific commodities, trade facilitation or private sector development. In some cases, using a value-chain approach can help to design concrete and targeted actions. The DTIS team can tap into existing knowledge on priority export sectors by reviewing relevant value-chain assessments, starting with the question: "does the product present an SPS risk?"

Link SPS investments to economic and development impacts. Investing in SPS capacity contributes to a range of benefits, including for agricultural productivity, trade and economic growth and poverty reduction. Putting quantifiable monetary figures on the expected impact of investments in SPS capacity is useful to benchmark SPS investments vis-à-vis other competing trade requirements. Similarly, estimating the financial costs of failing to implement international standards and meet SPS import requirements, for instance in terms of reduced trade due to export rejections or bans linked to SPS concerns, can serve to highlight the urgency and necessity of investing in SPS capacity. Recent STDF work on the use of economic analysis methodologies to support SPS capacity building and prioritization of SPS investment needs provides useful guidance.⁶⁷

Improve policy coherence. The study identifies important opportunities to better link SPS capacity needs and priorities identified in the DTIS report to national and regional agricultural, trade, development and investment policies and strategies. Strengthening SPS capacity is a public good that amongst others contributes to agricultural productivity, economic development and poverty reduction. SPS capacity constraints and opportunities in the DTIS report should be considered in the context of broader alignment with agriculture, development and trade strategies. Ensuring policy coherence is especially important at a time when many LDCs are pursuing an ongoing process of structural transformation linked to economic development.

⁶⁶ <http://www.standardsfacility.org/libraryFootnote>

⁶⁷ See: <http://www.standardsfacility.org/economic-analysis> and <http://www.standardsfacility.org/prioritizing-sps-investments-market-access-p-ima>.

Consider opportunities to strengthen SPS capacity at a regional level. While DTIS reports pay increasing attention to market access opportunities offered by regional trade agreements, there could be more focus on options to strengthen SPS capacity at a regional level. Food safety, animal and plant health risks, and the benefits of risk control, are interconnected across national borders. Taking a regional approach can help to identify cost-effective opportunities to pool resources and realize economies of scale (e.g., through a joint diagnosis, monitoring and control of risks related to food safety, animal and plant health, or regional training facilities). It can further support policy coherence and strengthen linkages to other efforts to build SPS capacity, including those led by regional economic communities (e.g., Comprehensive Africa Agriculture Development Programme), as well as other issue-specific initiatives (e.g., Partnership for Aflatoxin Control in Africa).

Actively engage SPS expertise during the DTIS process. To fully understand SPS constraints and opportunities, it is essential to engage relevant public and private sector stakeholders with knowledge about SPS matters. This includes government authorities responsible for food safety, animal and plant health (including contact points for Codex, IPPC and OIE), as well as national standards bodies and SPS EPs. It is also important to consult representatives of the private sector to learn about their views on SPS constraints and opportunities (e.g., linked to particular value chains or export markets), as well as the feasibility and desirability of reforms. The study demonstrated a direct correlation between the presence of an SPS expert in the DTIS team and the robustness of the SPS analysis in the report. Ideally, an SPS expert should always be included in the DTIS team. In cases where this is not possible, it is even more essential that the DTIS team work closely with the relevant national SPS authorities.

12.2 Enhancing national capacity to implement SPS-related recommendations in the DTIS

Use SPS Action Plans to complement the DTIS AM. The DTIS AM identifies a wide range of capacity-building needs and investments to mainstream trade for development at the national level. SPS capacity-building needs compete for priority with numerous other trade-related needs in the AM. Where appropriate, to complement the Action Matrix, it may be useful to develop an SPS action plan that provides more in-depth analysis on SPS capacity

building needs, maps out and sequences strategic interventions, and estimates their implementation costs. An SPS action plan can assist national SPS authorities to design projects and mobilize resources, based on priorities identified in the DTIS report. The STDF can play a key role in helping the LDCs to elaborate SPS action plans, drawing on the SPS expertise of its members and other related work (for instance on the prioritization of SPS capacity-building needs for market access⁶⁸).

Measure progress in addressing SPS capacity-building needs. Tracking progress in the implementation of SPS capacity-building needs identified in the DTIS Action Matrix is recommended to improve implementation (e.g., through an early identification of challenges faced or options for improvements) and also to stimulate performance, promote accountability and enhance impact. The DTISU process can serve as a useful stocktaking exercise to explore the degree to which recommendations arising from the previous DTIS report have been implemented and to use lessons learned to improve the pertinence of guidance provided in the DTISU report.

Develop skills to design and leverage sound and bankable SPS projects to implement DTIS recommendations. The study highlighted the critical lack of capacity of SPS authorities to formulate project proposals to address SPS needs identified in the DTIS. Support is needed to strengthen the project design and fundraising skills of SPS authorities. The EIF and the STDF can play a valuable role. Additional use should be made of the EIF/STDF Guide on Trade-related Project Identification, Formulation and Design.⁶⁹ STDF PPGs can be used to develop and mobilize resources for projects that address key SPS needs identified in the DTIS report. While such projects may leverage EIF Tier 2 funds, donors in the country should be encouraged to consider funding these projects directly, through their own bilateral programmes, to relieve the pressure on limited Tier 2 funds. The EIF DF can play a critical “matchmaking” role in this regard. Donors potentially interested in SPS investments should be engaged from the start of the analysis.

⁶⁸ See: <http://www.standardsfacility.org/prioritizing-sps-investments-market-access-p-ima>.

⁶⁹ See: http://www.standardsfacility.org/sites/default/files/EIF_HandbookProjectDesign_Feb-12.pdf.

12.3 Exploit synergies in EIF- and SPS-related processes

Enhance the effectiveness of the SPS stakeholders' engagement in EIF processes at the country level. Attention should be paid to ensuring the effective representation of SPS authorities in EIF consultative and decision-making processes at the national level. Examining whether EIF NSC and other mechanisms related to the DTIS process effectively involve the most appropriate SPS stakeholders is a useful starting point. Enabling SPS authorities to review and validate the draft findings of the DTIS analysis will strengthen the accuracy and pertinence of the recommendations and also facilitate implementation. Consideration should be given to identifying practical ways to link EIF processes at the country level with SPS-related coordination mechanisms, where they exist, to promote synergies, address cross-cutting needs in an integrated manner and avoid the persistence of institutional silos. The study highlighted the benefits of effectively engaging SPS stakeholders throughout the entire DTIS process, starting from the DTIS concept note.

Provide more practical guidance on how to effectively address SPS issues in the DTIS process. There is scope to develop more and better guidance, within the Compendium of EIF documents, on how to effectively address SPS issues in the DTIS process and report. This guidance should ensure clarity on important SPS-related concepts and definitions. Clarification of concepts (e.g., mandatory vs. voluntary standards) and the correct use of terminology (e.g., understanding the difference between "quality" and "safety" or SPS "standards" and "requirements") is a necessary starting point. The study recommends that the EIF and the STDF develop a checklist that includes guiding questions to help the DTIS team identify the relevant SPS stakeholders for particular sectors in the country and fully analyze issues related to SPS capacity.

Consider ways to engage other international organizations involved in SPS capacity-building in EIF processes. EIF member and observer organizations are instrumental in providing inputs and advice in their respective areas of expertise during the DTIS process. To complement these inputs and ensure adequate consideration of SPS issues, the EIF should consider avenues for greater collaboration with other international organizations (notably FAO and WHO) that play a leading role in building food safety and animal and plant health capacity, as well as the standard-setting bodies referenced under the SPS Agreement (i.e., Codex, OIE and IPPC). A more systematic involvement of these organizations, either directly or through the STDF, would enhance the DTIS process and follow-up activities. These organizations should be engaged at the early stages of the DTIS process. They could also provide useful advice to ensure that guidance documents for the DTIS process adequately address SPS issues.

ANNEX 1: KEY THEMES (EXTRACTED FROM THE TERMS OF REFERENCE (TOR))

The key themes addressed in this Study are highlighted below (extracted from the TOR):

- a. To what extent have SPS issues been included in DTIS across LDCs?
- b. Where SPS issues were raised, in which form were they addressed?
- c. To what extent, and how have SPS authorities (National Plant Protection Organizations, Chief Veterinary Offices, Fisheries Competent Authority, Food Safety Authority, Public Health Authority) been involved in the DTIS elaboration process, and more generally in the EIF implementation in countries?
- d. In relevant countries where less emphasis was drawn on SPS issues in the DTIS, has there been any improvement in subsequent DTISUs?
- e. In countries where SPS issues were prominent in the DTIS, were they addressed in a substantively coherent manner, taking into account existing SPS needs assessments (FAO Food Safety tool, PCE, PVS and others) and in line with country's obligations within the international SPS framework?
- f. How well aligned is SPS analysis in DTIS reports with the analysis and implementation plans elaborated for the country in question, by key international organizations such as the FAO, OIE, UNIDO, the WB, etc.; and including the STDF?
- g. In countries where SPS issues were featured in the AM, is there evidence of a follow-up implementation?
- h. Has there been any EIF Tier 2 project for instance deriving from the AM addressing SPS issues for a specific sector and was that elaborated and implemented in consultation with SPS authorities?
- i. What other support programmes have been developed in response to challenges identified in the DTIS reports outside of EIF Tier 2 projects?
- j. Was there any reference to regional integration and SPS regional frameworks (harmonization) in relevant DTIS reports (i.e., countries involved in regional integration processes such as SADC, ECOWAS, GMS, etc.)?
- k. Does the analysis point to factors in the DTIS elaboration process that may positively or negatively affect the way SPS issues are dealt with in the DTIS?
- l. In countries where SPS issues were covered in detail, is there any evidence of conducive factors inherent to the country set-up (strong private sector involvement, existence of SPS coordination mechanism, etc.)? Are there any good practices identified or lessons to be learned?
- m. In countries analyzed, is it possible to identify export successes linked to the implementation of the DTIS and lessons learned? What was the role played by the DTIS process in these export success stories? How can the process be further strengthened to lead to more export successes?

ANNEX 2A: QUESTIONNAIRE 1 - TARGET: INTERNATIONAL ORGANIZATIONS

1. Are you familiar with the EIF generally, and the DTIS process specifically?
2. What has been your experience with the DTIS process (formulation through to implementation stages) to date? How would you describe your involvement on SPS matters specifically?
3. In your experience, has the DTIS process benefitted from your engagement (and in what countries/contexts)? How could the EIF at a global level engage better with your Organization to ensure that your technical input is included in the DTIS process?
4. Did your engagement result in tenable positive results in terms of more complete or accurate inclusion of SPS matters in the DTIS? Through which channels do you think you can provide comments on the DTIS from early stages of implementation such as on DTIS concept notes, to draft DTIS reports to Tier 2 projects?
5. Do you see ways in which the EIF/DTIS process could benefit your objectives in:
(i) analysis; (ii) policy development; or (iii) project implementation in LDCs?
6. How can your Organization at national level help ensure that your constituencies (focal points, codex contact points, NPPO, OIE delegate, fisheries authorities, etc.) are fully aware of the EIF process at national level and involved in it?
7. Do you envision awareness-raising opportunities (for example, in Regional Codex Committees, Regional OIE delegates meetings, IPPC workshops on draft ISPMs or other fora) in which a short introduction to the EIF could be made to enhance awareness of delegates?
8. To what extent have the findings/lessons/results from projects you have supported (and any assessments, e.g., PVS or PCE) been taken into account? In what ways could more systematic synergies and policy support be developed? What additional tools/general policy/strategy documents from an SPS angle would you recommend be included/ referenced in a DTIS?
9. Broadly, what challenges do you see in terms of SPS treatment in the DTIS, and do you have any recommendations to make in this regard? Are you aware of challenges/weaknesses raised or identified in the DTIS that have been put forward to you as a request for assistance by national counterparts?
10. What would you suggest be done in the DTIS process at country level? Are there specific countries/circumstances/arrangements that you feel are particularly conducive to successful engagement of different SPS authorities, accurate treatment of SPS matters in the studies, and beneficial follow-up engagement?
11. Do you have any suggestions for better coordination/integration at country level between, for example, SPS Committees where they exist, and trade ministries or EIF steering committees (there is typically an agriculture representative in the latter, but not necessarily SPS-specific)?

ANNEX 2B: QUESTIONNAIRE 2 – TARGET: MAIN IMPLEMENTING ENTITIES

1. How did you go about setting priorities to be addressed within the SPS area?
2. What was the role of the Team Leader in the SPS analysis; were all SPS issues raised and dealt with exclusively by the relevant consultant? What about the depth of analysis - who decided on how extensively an issue is treated?
3. What is the degree of individual discretion allowed to the consultant to focus on issues not directly raised in the TOR or Concept Note?
4. To what extent is capacity-building on SPS integrated into the process? Is this exclusively with SPS-specific authorities or more broadly?
5. Are there specific countries/circumstances/arrangements that you feel are particularly conducive to successful engagement of different SPS authorities, accurate treatment of SPS matters in the studies, and beneficial follow-up engagement?
6. Do you have any suggestions for better coordination/integration at country level between, for example, SPS Committees where they exist, and trade ministries or EIF Steering Committees (there is typically an agriculture representative in the latter, but not necessarily SPS-specific)?
7. Do you have any general recommendations to enable a more complete or accurate treatment of SPS matters in the DTIS process, or relating to the DTIS process generally?

ANNEX 3: FORMATS AND COLUMN HEADINGS OF DIFFERENT ACTION MATRICES

Table 3a: Extract from Sudan DTISU 2014 AM format - selected SPS action areas

Identified constraint	Action(s)	Responsibility	Monitoring indicator	Difficulty/ payoff
Lack of awareness and institutional weaknesses in meeting SPS requirements in export markets for livestock and crops.	Establish a functioning SPS EP and strengthen SPS capacity to support increasing agricultural exports. Leverage the recently approved STDF Project Preparation Grant Support information system to disseminate quality standards with all standards published on the internet by December 2015.	Livestock in partnership with a private firm or NGO/SSMO/ Sudan Trade Point/ Ministry of Trade.	SPS EP Established Project for strengthening SPS capacity designed and implemented SPS Quality Standards available on line by December 2015.	Medium/ Medium

Table 3b: Sudan DTIS 2003 AM format - selected SPS action areas

Actions	Priority	Responsible entities	Expected duration of action	Indicative TA needs
Develop nation-wide standards Action Plan with the objective of reducing regulatory overlap and increasing investment in key trade-related functionalities and enhancement of rules supporting implementation.	High	SSMO, GNU and Goss, Goss Grades and Standards, Ministries of Agriculture, Livestock, Fisheries, Forestry and Industry and Trade.	1 year	Consultants
Launch campaign to raise awareness of quality assurance, food safety and regulatory compliance among producers, especially those in Southern Sudan.	Medium		2-3 years	Papers on best practice
Provide extension services to producers to introduce Good Management Practices (especially along value chains for livestock/ meat, horticulture, and processed foods).	High		3 years	Trainer training
Strengthen institutions responsible for SPS activities.			2-3 years	

Table 3c: Solomon Islands DTIS 2009 AM format – selected SPS action areas

Action recommended	Requirements			Agencies involved	Expected duration
	Implement existing policy	Change policy/ legislation/ reform institutions	Technical assistance/ investments		
4. Trade facilitation					
On SPS execute: (i) the request from DEH for strengthening the competent authority for fisheries exports; and (ii) the request from CAD to resource the National Public Health Laboratory to carry out tests.	x			DEH, CAD	Short term
Support the implementation of the new food safety regulation.	x		x		
Initiate a standards and conformance programme, focusing mainly on metrology in the first instance.	x			DEH DCIL	Short to medium-term
9. Fisheries, aquaculture and fish products					
Support the Ministry of Health and Medical Services (MHMS) to complete the requirements for the Competent Authority so that Solomon Islands can attain List I status as an exporter to the EU market.	x		x	MHMS	Short to medium-term

Table 3d: Nepal DTISU 2010 AM format – selected SPS action areas

Main outcomes	Recommended actions	National partners	Requirements			Possible time-frame	Recent or current TA
			Policy and regulatory development reform	Institutional strengthening and development	Technical assistance		
Objective 2: Strengthen the capacity of domestic NTBs and other business-environment supportive institutions							
Sanitary and phyto-sanitary measures	Adopt Regulations under the new Plant Protection Act 2007.	MoAC/PPD	Yes	Yes		Just completed	
	Amend current Food Act 1966.	MoAC/PPD/ DFTQC	Yes		Yes	2 years	FAO
	Review Animal Health and Livestock Act 1998 and Nepal Veterinary Council Act B.S.2055 (2000).	DoLS	Yes		Yes	2 years	OIE
	Review Pesticides Act 1991 and Pesticides Rules B.S.2050 (1994) to ensure that crop protection comply with changing and most stringent MRL requirements of trading partners.	MoAC/ PPD/ DFTQC	Yes		Yes	2 years	Codex – FAO, WHO
	Strengthen WTO SPS EP, including up-to-date website, staffing and procedures to answer queries, etc.	MoAC/ PPD/ DFTQC		Yes	Yes	2 years	

	Launch internationally acceptable traceability systems based on GAP certification run through TPC. Could be launched initially for tea, lentils, cardamom, and ginger.	PPP involving specialized NGOs, private sector and farmers MoAC/ DFTQC	Yes	Yes	Yes	2 years	
	Consolidate SPS focal points (currently spread among DFTQC, PPD, DoLA, MoFSC) in a newly created biosafety agency with specialized staff outside traditional public servant staff rotation system.	DFTQC, PPD, DoLA, MoFSC	Yes	Yes	Yes	2 years	FAO
	Launch efforts to promote enabling environment for food production and processing with focus on: clean air, potable water, proper treatment and disposal of soiled water and solid waste.	Partnership between MoAC	Yes	Yes	Yes	5 years	WHO

Table 3e: Sudan DTISU 2014 – Scorecard assessing the 2008 DTIS AM

Theme	Activities	Implementation rate ⁷⁰	Degree of impact	Reasons for success/failure
Activities II D Build/ Improve SPS capacity.	Develop nation-wide standards Action Plan with the objective of reducing regulatory overlap and increasing investment in trade.	25	0	Government formed a joint technical committee to reduce overlap. But the committee is temporally stopped due to change in personnel. Federal ministries and agencies handle issues related to SPS matters due to lack of reform in legislative and regulatory framework. Investment in key functionalities and enhancement of rules supporting implementation are limited. This leads to following constraints: (i) the number of mandatory standards that are aligned with international standards is relatively low; (ii) the ability to provide traceability to the market is very low; (iii) no accreditation body to formally recognize competence that is able to enter into cross border agreements; and (iv) the non-acceptance of international tests results in widespread redundant testing.
	Raise awareness of quality assurance and regulatory compliance among producers.	50	50	SSMO has state offices which are entrusted with raising awareness among producers on quality assurance and compliance but still a long way to go.
	Provide extension services to producers to introduce Good Management Practices (especially along value chains for livestock/meat, horticulture, and processed foods).	75	50	This activity was implemented jointly (SSMO in coordination with Ministries of Agriculture, and Livestock and Fisheries) but with average degree of impact.
	Strengthen institutions responsible for SPS activity.	25	0	Due to lack of: (i) sufficient legislative and regulatory framework; (ii) sufficient operations such as inspection procedures and certification system; and (iii) infrastructure, capacity of SPS-related institutions remain weak. As pointed out in Action 27, the main reason for this lack of progress is lack of capacity, budget and interest.

⁷⁰ The status is presented based on the following key:

100% - Fully implemented;

75% - Mostly implemented, but key areas are missing;

50% - Half implemented;

25% - Implementation has started, but implemented is well below half way; and

0% - Implementation has not started, or implementation started but the effort ended over the past ten years.

The degree of impact is presented based on the following key (where relevant this impact is represented by the author's perceived decline in trade costs. E.g.

25% represents a low reduction in trade costs caused by the action in 2013 compared with 2008):

100% - Full intended impact;

75% - Above average rate of impact;

50% - Average rate of impact;

25% - Below average rate of impact but above insignificance; and

0% - Insignificant or zero impact

ANNEX 4: SUDAN DTIS 2008 SPS AM

Table D-3. SPS Action Matrix

GOAL: Internationally Recognized SPS Program that Increases Sudan Agricultural Trade

Result 1. An Action Plan that Strengthens the SPS Program								
Activity	Requirements	Who	Priority	Time Horizon	Resource	What	Indicator of Success	Means of Measurement
1.1.	Stakeholders in the Public and Private Sectors	SSMO MARF MAF	High	1st year	SPS consultant Workshop travel Communi- cation	Consultant will work with all parties to have SPS Action Plan	Action Plan adopted by key GOS and GoSS government agencies	Action Plan is published and adopted by SSMO, MARF and MAF
Result 2. Institutions Responsible for SPS Strengthened								
Activity	Requirements	Who	Priority	Time Horizon	Resource	What	Indicator of Success	Means of Measurement
2.1.	SSMO and others identify overlapping responsibilities	SSMO, MAF, MoFT Customs	High	1st year	Local Consultant	Identify all redundancies in laws, regulations and who is responsible	List of steps to streamline responsibilities and time frame for implementation	Publish a guide for reduction of responsibilities
2.2.	Based on 2.1. train or retrain key departmental staff to carry out regulations	SSMO will take the lead in organizing training modules	High	1st year	Training program Modules Workshops	Local consultant Workshops will be in both North and South	International acceptance of the revisions for certification	Contact external entities in their acceptance of the streamlining
2.3.	GOS and GoSS support the strengthening of Focal Points and «One Stop Shop»	Horticulture and HEC will be initial target	Medium	2nd year	Local Consultant and department staff	Workshops networking of Focal Points for Sharing SPS information	Linkages of Focal Points Establishment of fast track certification at HEC	Test the flow of information to Focal Points Observe the HEC operations
2.4.	Improve the staff capacity of MoFT to undertake SPS bilateral negotiations	MoFT UNCTAD	Low	2nd-3rd years	Seminars Travel to Neighboring Countries	Trade negotiation skills in SPS negotiations in key markets	Improved access for livestock, meat, hides, skins, horticulture and fish products	Access of key products to GCC and EU countries

Result 3. The system for inspection, testing and reporting of Sudanese products recognized by key importing countries

Activity	Requirements	Who	Priority	Time Horizon	Resource	What	Indicator of Success	Means of Measurement
3.1.	Assess the inspection services	SSMO MARF MAR	High	1st year	Consultant travel allowance workshop	Visit all the inspection points and assess collection of samples	Streamline the inspection of products for export	Report submitted to SSMO Actions taken
3.2.	Visit to all laboratories and make audit	SSMO Central Lab, CVL, others	High	1st year	International Consultant travel allowance	Visit all laboratory and assess equipment and protocols to international requirements	Plan for key labs	Equipment is purchased
3.3.	Increase the capacity to do risk assessment and reporting Assess emergency response to outbreak	SSMO MARF MAR GOS, GoSS	High	1st year	AU/ IBAR and consultant Computers and software	Work with PACE and AU/IBAR to assess how to do risk management assessment and emergency response	A risk management program is established with periodic reports to OIE	Timely reports
3.4.	Source trace-back system is evaluated for horticulture industry	MAF HEC	Medium	2nd year	Local consultant workshop	Design a protocol for HEC for source verification	Trace back system is initiated	Importers recognize the validity of the verification system
3.5.	Feasibility for Domestic 3rd Party Certification Organization	Private Sector Company	Low	3rd year	International Donor Agency	Feasibility study conducted with funding from EU country	Based on feasibility study	Feasibility Study Funded

Result 4. The Capacity of the Private Sector to Implement SPS Improved								
Activity	Requirements	Who	Priority	Time Horizon	Resource	What	Indicator of Success	Means of Measurement
4.1.	Awareness building on regulations and compliance	SSMO	High	1st year	Newspaper Workshops	SSMO have a plan for awareness in both the public and private sectors in North and South Sudan	Improved compliance by exporters in meeting standards	Decline in number of product rejections or Improvement in quality of products exported
4.2.	Adoption of Good Management Practices	SSMO MAF, MARF HEC	High	1st year	International Consultant Workshops	Training in GMP and HACCP for slaughterhouses, Tanneries, packing sheds and cold rooms	Introduction of GMP along the value chain for livestock, fruits, vegetables, and fish	Survey of private sector companies on compliance to GMPs or HACCP
4.3.	Cost Recovery for SPS inspection, testing and certification	SSMO MAF MARF	Low	3rd year	Local technical specialist Stakeholder Seminars	Assess the fees for delivery of services in the inspection, testing, reporting and certification for exports	Fee structure is balanced between the public and private sectors	Published fee schedule by the relevant authorities

ANNEX 5: ANALYSIS OF STDF PROGRAMME GRANTS AND PROJECT PREPARATION GRANTS FOR CORRESPONDENCE WITH ACTION ITEMS INCLUDED IN DTIS/DTISU

PG/PPG number	Beneficiary	Subject/date	DTIS/DTISU action item/date	Match
PG/048	Benin	Shea/cashew nut production.	Fish/shrimp export support 2005.	No
126	Tanzania	Establishing HODECT.	Capacity of trade associations strengthened (in TTIS) 2011.	Yes
127	Benin	SPS information system.	Fish/shrimp export support 2005.	No
170	Nepal	SPS capacity building.	Review legislation and strengthen laboratories (2010).	Yes
230	Mozambique	Coconut pest-free areas.	Not recommended by DTIS.	No
246	Cambodia	SPS Action Plan (initial idea dates from 2008).	No corresponding recommendation.	No
302	Senegal	Niayes cabbage competitiveness (pests and meeting MRLs) 2012-2014.	Support for other named crops but not cabbage (DTIS 2003).	No
303	Benin, Mali	Total diet study.	Fish/shrimp export support 2005.	No
313	W. Africa	Fruit fly project (2009-2011).	???	???
329	Nepal	SPS/ginger exports.	Support enhancement of 19 commodities including ginger exports (2010).	Yes
337	ASEAN	Phyto manuals and SOPs.	???	???
346	COMESA	Breaking barriers, facilitating trade.	???	???
350	Sudan, et al	Phyto manuals and SOPs (2012-2015).	Not mentioned in DTIS 2008.	No
359	Tanzania et al	Pesticide residue data.	Various but not including residue studies.	No
460	Mozambique et al	Implementing ISPM15.	Not recommended by DTIS.	No
PPG/052	Malawi, Zambia	Post-harvest contamination paprika/groundnuts (2007).	(Mal.) application of quality control systems and international standards to groundnuts (DTIS 2003).	Yes

061	Cambodia	Strengthening SPS capacity.	Not based on DTIS (personal knowledge).	No
063	Benin	Quality control of ag. Products.	Fish/shrimp export support 2005.	No
066	Mozambique	Strengthening SPS capacity based on the DTIS (2005).	(DTIS is acknowledged source of project idea).	Yes
088	Nepal	SPS capacity building by means of a training programme for officials.	Establish infrastructure and strengthen organization for implementing SPS legislation (2003).	Yes
113	Burundi	Survey of food safety needs/develop project proposal (2006).	Support for exports/removal of access barriers (2003).	No
126	Tanzania	Establishing HODECT	Capacity of trade associations strengthened (in TTIS) 2011.	Yes (Carried through to PG/126)
165	Madagascar	Improving SPS controls in fruit production (2008-2012).	Fisheries (DTIS 2003).	No
262	Burkina Faso et al	Veterinary services regional strategy (2009).	(Not explicitly included) (DTIS 2007).	No
268	Tanzania	Strengthening SPS legislation.	Many recommendations including strengthening of legislation.	Yes
302	Senegal	Niayes cabbages competitiveness.	As above for PG/302	No
309	Guinea-Bissau	Application of FAO biosecurity tool (2010).	Not mentioned in DTIS 2004.	No
323	Senegal	Pest surveillance/GAP/horticulture (2011).	Generally but not specifically covered in DTIS 2003.	No
346-348	COMESA	Green pass.	???	???
379	SADC	SPS Committee participation.	???	???
400	Malawi	Aflatoxin (2013).	Covered.	Yes
404	Malawi	Virus indexing of banana planting material (2013).	Not covered.	No
432	Asia-Pacific	Phytosanitary transparency/risk.	???	???
435	Sudan	Sesame SPS compliance (2014).	Not specifically covered (DTIS 2008).	No
453	ASEAN	Harmonising aquaculture certification.	???	???

ANNEX 6: FOLLOW-UP AND IMPLEMENTATION TABLE

Country	SPS focus in DTIS or DTISU	Type and scope of follow-up relevant to SPS (implementing partner)
Benin	Significant.	1. Window II projects in 2007 including the financing of 'Support Programme for Exports Development' (PADEX) --to help Benin integrate better into the multilateral trading system by promoting and diversifying its exports, products and services. These included fruits and vegetables, cashew nuts exports and tourism ---> no information on SPS inclusion. Implementing partners: ITC, UNCTAD and UNDP.
		2. Tier 2 project (2014) Strengthening of Productive and Marketing Capacities of Benin (Renforcement des Capacités Productives et Commerciales du Bénin) includes some work on SPS measures. The project's main focus is to contribute to the reduction of poverty through strengthening the productive and marketing capacities of Benin, particularly the supply of exportable products. ---> included SPS.
		4. Five STDF projects (See Annex 5).
Bhutan	Significant (DTIS 2012).	Prioritizing Tier 2 proposal ideas from stakeholders based on the AM (2013). ---> no information on SPS inclusion.
Burkina Faso	Significant (in DTISU 2014 but not in DTIS 2007).	1. Two STDF project preparation grants concerning strengthening of veterinary services to facilitate export of meat to North Africa (PPG/262), and another (PPG/221) on a sesame export strategy.
		2. Tier 2 Project approved (2012): enhancing the productive and commercial capacities of the sesame sector with a strong focus on private sector collaboration. ---> SPS issues are not mentioned.
		3. Tier 2 Project approved (2014) supporting the dried mango and cashew nuts sectors. ---> no information on SPS inclusion.

Burundi	Significant.	1. Regarding follow-up to the DTIS 2003, the DTISU 2012 states “the targeted support provided to selected non-traditional exports, such as essential oils, PVC tube production, cut flowers, and several fruits and vegetables as part of the IF Window II projects implemented after the DTIS had very limited results. In fact, several of the targeted exporters have gone out of business within a short period after receiving support from the EIF because numerous regulatory obstacles, supply-side constraints, and channels to reduce transaction costs have remained unaddressed in the export diversification strategy.”
		2. Tier 2 project (2012): Strengthening Capacities and Technical Assistance – Improving capacities of Burundi for conformity with SPS measures and for the development of trade ⁷¹ : Support on the development of quality standards and boost capacity to export and protect consumers through stronger national systems, analysis, inspection and testing, and enabling compliance with international standards including SPS. ---> SPS focus (Implementing partner: UNIDO).
		3. Tier 2 project proposal on private sector capacity-building of the tourism sector. ---> no information on SPS inclusion.
		4. MTP to facilitate the implementation of the DTIS AM and to mobilize resources.
Cambodia	Significant in DTIS 2002, DTISU 2007 and CTIS 2014-2018.	1. 12-point Trade Facilitation Action Plan 2004 incorporated actions such as implementation of a national risk management approach and conduct of a strategic review of Camcontrol. ---> included SPS.
		2. Uptake in strategic documents (see below for details): (i) National Socio-economic Development Plan 2014-2018; (ii) Rectangular Strategy; and (iii) Agricultural Development Strategic Plan is aligned with Rectangular Strategy.
		3. Two Tier 2 projects have been initiated with funding under the EIF framework: Cambodia Export Diversification and Expansion Project (CEDEP) I and II. CEDEP I responded to the first update DTIS; CEDEP II was launched in February 2014. ---> included SPS ⁷² .
		4. Multi-donor Trust Fund partly executed by the Royal Government of Cambodia through the Ministry of Commerce-administered Trade Development Support Programme, and partly executed by the WB. ---> SPS inclusion covering a range of areas. ⁷³
		5. Assistance from other partners: - ADB (Cambodia Sanitary and Phytosanitary Standards Management Systems Project and as part of its Trade Facilitation: Improved SPS Handling in the Greater Mekong Sub-region (GMS) Project); - FAO (range of SPS-related projects over the period of all three DTISs); and - UNIDO (fish and fish safety quality).

⁷² Under CEDEP I, support has been provided for expansion of exports of milled rice, and under CEDEP II there is support for export of cassava and marine fishery products, as well as for the hospitality industry. A common theme in these projects is active engagement with private sector interests. The project designer consulted relevant stakeholders during the development of the projects.

⁷³ Examples include: (1) a project, implemented through the Fisheries Administration (Ministry of Agriculture, Forestry and Fisheries) with the assistance of UNIDO consultants, which aims to intervene in the fisheries value chain to upgrade the SPS capacity of processors and producers; (2) a project implemented within Ministry of Agriculture, Forestry and Fisheries to establish and implement an electronic SPS certification system that will automate the application and issuance of SPS import clearances; (3) projects intended to facilitate implementation of risk-based approaches to SPS control, for example in relation to imported food and via institutional strengthening; and (4) a project to design projects that would implement components of the Action Plan to Improve SPS Capacity in Cambodia (STDF/PG/246).

Chad	Significant (DTISU 2013)	1. Tier 2 project: The project supports the diversification of the Chadian economy by strengthening the country's gum arabic sector through a value chain development approach with the overall objective of reducing poverty through income and employment creation, particularly in rural areas where gum arabic plays an important role for the livelihoods of many families and communities. ---> included SPS.
		2. MTP to facilitate the implementation of the DTIS AM and that will lead to the organization of a Donor Round Table Event as a resource mobilization drive for trade development.
Ethiopia	Not significant.	
Guinea-Bissau	Not significant-	1. Uptake in strategic documents: Poverty Reduction Strategy (2012) incorporated the AM. ---> includes SPS.
		2. STDF/PPG/309 addressed building an SPS management system.
		3. Tier 2 project proposal on expanding its horticulture sector. (UNDP and ITC).
Haiti	Not significant.	
Lao PDR	Significant (DTISU 2012).	1. SPS Action Plan. (WB).
		2. Trade Development Facility: Two phases ---> SPS included. Australia and the EU committed the majority of their finance in the sector into the Multi-Donor Trust Fund administered by the WB (one SPS Activity implemented with FAO).
		3. Pilot project of the UN Trade Cluster in Lao PDR informed by DTIS.
		4. Tier 2 project: National Quality Infrastructure, including standards, metrology and conformity assessment.
		5. Other assistance partners: -ADB: <i>SPS and trade facilitation (capacity-building) project in the Greater Mekong Sub-region, including Lao PDR.</i> -FAO: <i>phytosanitary exports capacity building.</i>
Liberia	Not significant.	An SPS support project was in preparation for EIF Tier 2 funding to establish the legislative framework, SPS committee and strengthen border control.
Madagascar	Not significant.	

⁷⁴ Among the areas covered, relevant to SPS, are: (i) fishery laboratory equipment; (ii) training to use the laboratory equipment; (iii) fish quality control; (iv) preparation of foreign trade manual; (v) project to accelerate standard development process; and (vi) improvement of data collection and production of Foreign Trade Standards".

Malawi	Not significant.	1. In 2013 STDF/PPG/400 for capacity building for aflatoxin management and control in groundnuts in Malawi (follows recommendation made in the 2013 DTISU). Another STDF document, PPG(404 addressed the virus indexing capacity for planting materials in Malawi.
		2. One Window II project concerned strengthening the standards, testing and metrology capacity of the Malawi Bureau of Standards. ---> included SPS.
		3. Tier 2 project: components on promoting of smallholder farmer linkages to agro-processors and supporting the agro-processing special economic zone road map as well as the promotion of value-added exports was developed under the coordination of the NIU and approved by the EIF Board for implementation in September 2014.
		4. Malawi National Export Strategy (2011-2012) references DTIS on SPS. 2013 SWAp to trade (TIP SWAp) for implementation of the National Export Strategy and the Malawi Growth and Development Strategy. ---> SPS? <i>UNDP project with an SPS capacity-building component that was developed in 2012, is now being implemented.</i>
Mozambique	Not significant.	Seven IF Trust Fund Window II projects; ---> inclusion of SPS ⁷⁴ ; and ---> two SPS recommendations of DTIS addressed.
Nepal	Significant (DTISU 2010)	Tier 2 project: Enhancing Sanitary and Phytosanitary Capacity of Nepalese Ginger Exports through Public Private Partnerships. The project aims to raise incomes of ginger-producing households in Eastern Nepal by improving the quality of ginger, increasing capacity to comply with SPS requirements and enhancing market access. The project encompasses a series of interventions, based on a value-chain approach, involving stakeholders from ginger farmers, collectors, traders, cooperatives and ginger producer/trader associations, as well as local Government departments responsible for demonstrating compliance with the SPS requirements of trading partners. It is a joint project supported by the EIF and the STDF. Complementary project activities are training of producers, supply of quality ginger seeds and assessment of and training on SPS requirements for fresh and processed Nepalese ginger. ---> SPS focus Tier 2 project: improving manufacturing practices, capacity-building of public and private sector bodies and improving market access for medicinal and aromatic plants to priority export destinations. ---> SPS focus
Senegal	Significant (DTISU 2013) but not significant in DTIS 2003.	1. STDF 2013: i) Improvement Project Management device SPS standards at the horticultural sector of Senegal; and ii) Improvement of SPS Quality of Fruit and Vegetables. As part of the project Strengthening Project and Development of commercial skills (Programme de Renforcement des Capacités commerciales 2 - PRDCC 2) funded by the EU, the activities were conducted to improve the quality of services provided by the laboratory to the Senegal food companies and the sub-region, and ensure the commercial promotion of the laboratory.
		2. Tier 2 project proposals were finalized and submitted to the Government and relevant development partners for funding: (i) competitive supply of bananas in the Tambacounda region; (ii) processing and commercialization of fruit-based products for women groups in Basse-Casamance; (iii) improvement of SPS measures for fruits and vegetables; and (iv) management of SPS regulations for horticulture produces. One Tier 2 project proposal on mango sector competitiveness has been developed for EIF funding.

Solomon Islands	Significant (DTIS 2009).	STDF PPG approved for Tier 2 project preparation on SPS Standards [EIF website].
Sudan	Significant (DTIS 2008).	
Tanzania	Significant (DTIS 2005).	- Tier 1 project: Capacity Development for Mainstreaming Trade Project August 2013 (with UNDP/EIF). ---> no information on SPS inclusion.
		- Window II project 'Capacity Building for Trade Development and Integration' to strengthen the institutional framework and exporters' capacity to comply with technical standards and SPS standards in the tourism and horticulture sub-sectors. An additional objective was to prepare the ground for a larger scale implementation of the TTIS (UNDP funding).
		- UN Cluster on Trade also includes an SPS component of a tourism-related project that incorporates a component directed at increased procurement of safe, high-quality Tanzanian horticulture and organic-based products by the tourism sector (under UN Office for Project Services).
		- STDF project (STDF/PG/126) was implemented to assist the Horticultural Development Council of Tanzania (HODECT); and - Strengthening SPS-related legislation in Tanzania (STDF/PPG/268) - 2009/2010.
Vanuatu	Significant (DTIS 2007).	

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