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## RESEARCH ON SANITARY AND PHYTOSANITARY INDICATORS

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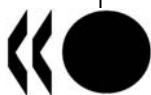
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*This paper has been prepared by Ms. Farah Farooq of the WTO Secretariat (Farah.Farooq@wto.org) and presents an outline of research work being undertaken by the Standards and Trade Development Facility (STDF) to sensitize the sanitary and phytosanitary (SPS) community at large on the issue of managing for results and, more specifically, performance indicators and help enable them to better monitor and measure results leading to improved design and management of SPS capacity building initiatives. The work is being undertaken in close collaboration with the OECD/TAD.*

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## RESEARCH ON SANITARY AND PHYTOSANITARY INDICATORS

### I. INTRODUCTION

1. This paper presents an outline of research work being undertaken by the Standards and Trade Development Facility (STDF) in the area of performance indicators at the project and programme level for sanitary and phytosanitary (SPS) capacity building initiatives.<sup>1</sup> The work is being undertaken in close collaboration with the Organization for Economic Cooperation and Development (OECD).<sup>2</sup>

2. Work on SPS indicators is an important contribution towards improving aid quality and effectiveness in line with the Rome Declaration on Harmonization (2003), the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008). To ensure that further progress can be made in achieving the Millennium Development Goals (MDGs), especially in times of global crises such as the financial crisis, the food crisis and resource scarcity, donors and partner countries have made a firm commitment to strengthen cooperation and increase the use of indicators to improve aid effectiveness.

3. The STDF work on SPS indicators is a direct response to the demand for a more rigorous monitoring and evaluation of Official Development Assistance (ODA) that is now at the forefront of the international development agenda. Various stakeholders are expected to benefit from a more consistent and coherent reporting mechanism that is an inherent part of work on indicators. These stakeholders include international organizations and donors responsible for financing and the implementing SPS capacity building initiatives, as well as national authorities in beneficiary countries.

4. Previous STDF work on Good Practice in SPS-related Technical Cooperation concluded that the real effect of SPS cooperation on trade is little understood, with no systematic use of indicators to measure the performance of projects and their sustainability. The STDF and OECD carried out joint research in 2008 in three regions – East Africa, Central America and the Greater Mekong Delta Sub-Region – to identify good practices in SPS-related technical cooperation that could be replicated more widely.<sup>3</sup> Building on this work, the STDF makes a stronger contribution through this study on SPS performance indicators.

5. Work in this field also complements the Aid-for-Trade initiative by improving the monitoring of aid flows at an operational, issue-specific level. However, the work on SPS indicators requires a focused approach rather than an aggregate one under Aid for Trade and the MDGs, which rely on the use of a large number of different global indicators. Indicators using such large volumes of data encompassing many different themes, if applied at the project level, can confuse rather than add focus. Synergies are sought with the Enhanced Integrated Framework (EIF) to complement its action plan under the monitoring and evaluation agenda.

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<sup>1</sup> The STDF is a joint initiative of the Food and Agriculture Organization of the United Nations, World Bank, World Health Organization, World Organization for Animal Health and the World Trade Organization. More information is available on the STDF website: <http://www.standardsfacility.org/>

<sup>2</sup> The STDF provides a platform to enhance coordination and share information on SPS related technical cooperation activities at a global, regional and national level.

<sup>3</sup> For more information see: [http://www.standardsfacility.org/Good\\_Practice.htm](http://www.standardsfacility.org/Good_Practice.htm)

## II. OBJECTIVE AND SCOPE

6. The principal objective of this research work is to sensitize the SPS community at large on the issue of managing for results and, more specifically the use of results indicators. This would help enable SPS practitioners to better monitor and measure results, which would lead to improvements in the design and quality of SPS projects. In order to do this, the study will identify the most common and pertinent indicators to better measure and monitor outputs, outcomes and where possible the long-term impact of SPS capacity building initiatives at the project and programme levels.<sup>4</sup> The research work is focusing on the following four areas: (i) food safety; (ii) animal health; (iii) plant health; and (iv) general SPS assistance.

7. The practical realities will remain at the heart of the work, for example, lack of data availability, terminological ambiguity and lack of awareness on reporting requirements among the various stakeholders involved in designing and implementing the SPS-related projects and programmes. Indicators are used to measure specific objectives, which vary from project to project depending on the beneficiary countries' specific needs. Moreover, countries have different absorption capacities. Even if project objectives are similar in different countries, the effects will vary according to their economic, political and social climates. However, identifying a set of indicators that act as guidance allows for a greater degree of comparison.

8. SPS technical cooperation makes an important contribution towards supporting developing countries' efforts to maintain or gain market access. In addition, SPS cooperation helps to enhance economic growth by improving agricultural production and increasing domestic safety levels. Since aid effectiveness approaches help the allocation of resources, in the absence of a more results oriented approach to SPS initiatives, beneficiary countries and donors may choose to invest resources in other areas. Notably, those that can better demonstrate to be in compliance with the principles of the Paris Declaration.<sup>5</sup>

9. A common understanding and approach among SPS stakeholders at various levels is important to ensure that donor funding is allocated and disbursed effectively and efficiently to meet developing countries' SPS priority needs. This would also reflect a shared understanding among SPS stakeholders of problems, goals and strategies. In turn, national authorities and donors will be more likely to align strategies with one another and work in the same direction.

10. SPS projects, including those funded by the STDF, normally have the following objectives. Hence, the monitoring and measurement of these overall objectives of the STDF projects are ubiquitous in this study on SPS indicators:

- i) Enhance capacity to meet official or commercial requirements in the SPS field and so gain or maintain market access; and
- ii) Better protect human and animal health and plants against disease and pest hazards related to cross border trade.

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<sup>4</sup> Output is an immediate result of the project activities, i.e. number of workshops held or number of people trained. The outcome reflects the medium-term results, i.e. the causation of a change in SPS compliance behaviour. The impact is a long-term effect of the project, i.e. increased trade performance.

<sup>5</sup> Allocation of aid on the basis of performance is discussed by Bourguignon, F and Sundberg, M (World Bank, 2007).

11. Mapping a set of commonly used SPS indicators at the project and programme levels to ensure that the aforementioned objectives are met will make a significant contribution to the aid effectiveness agenda as well as enhancing trade performance through increased competitiveness and diversification of agricultural products.

### III. THE CHALLENGES

12. The implementation of trade-related projects and programmes takes time, and even after completion more time is normally required to establish impacts. An SPS project aimed at assisting plant health services and horticulture exporters, for instance, requires a long time to fully realize its impacts, even after successful completion. Indeed, the timing of an evaluation can radically alter the perception of the effectiveness of a project. A pest-free place of production, for instance, may take many years to achieve positive trade benefits. To better connect local producers to international markets may also take years, depending on the incentive structure in place to respond to the new opportunities. Therefore, and because there are often multiple interventions taking place at the same time, it is difficult to ascertain the causal link between an increase in the country's exports of fruit, vegetables, flowers etc. to international markets and a particular project. Conversely, if the country's export figures remain unchanged, it cannot be automatically deduced that the project itself was unsuccessful.

13. In order to arrive at a greater degree of detail in the aforementioned analysis, a country should have a well-built system of qualitative and quantitative data collection in place that is high in reliability and validity. This, however, is normally the exception rather than the rule. The lack of data availability in developing countries, notably in LDCs, adds to the enormous challenges related to measuring the outcome and impact of SPS assistance. Furthermore, it is important that SPS evaluation is conceived within broader monitoring and evaluation systems nationally.

### IV. THE APPROACH

14. In preparation of the study, the STDF has undertaken the following steps:

- Discussions with STDF partner and observer organisations and selected donor and beneficiary countries have been held. These discussions were centred around their existing practices in measuring the performance of SPS initiatives via the employment of the log frame.<sup>6</sup> Also, the aim was to get an insight into the various challenges being faced;
- Compilation of inputs from STDF partner and observer organizations on their ongoing and planned work on indicators in the area of SPS (or trade-related assistance more broadly), including the submission of projects and programmes which in their perception include 'good or relevant' SPS (or trade-related) indicators;

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<sup>6</sup> The log frame is a management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their casual relationship, indicators and the assumptions or risks that may influence success or failure, (OECD, 2002).

- Identification of the most common and pertinent SPS indicators and a compilation of a basket of existing SPS specific indicators (output, outcome and where possible impact levels), which can be analogous to more indicators related to measuring trade-related technical assistance more generally;
- Exploring existing or planned efforts to develop new indicators related directly to the measurement of SPS capacity building; and
- Preparation of a report for presentation and discussion at the next meeting of the STDF Working Group in December 2009.

15. The STDF liaises closely with the organizations responsible for food safety, animal and plant health capacity building, as well as with relevant donors providing assistance in these areas. Depending on the outcomes of this study, the STDF Working Group may consider organizing a global-level workshop on SPS indicators in 2010, possibly back-to-back with a meeting of the WTO SPS Committee in Geneva. The aim would be to present the findings of the study to a wider SPS audience, sensitize the SPS community on the issue and further raise awareness about the importance of using a common results-oriented approach and SPS indicators. A global level workshop would further fit within the STDF mandate to identify and disseminate good practice in the area of SPS capacity building. Moreover, it would help to bridge the gap between the aid effectiveness community and SPS experts designing and implementing the projects.

## V. RESULTS-BASED MANAGEMENT

16. The proposed work aims to focus on the identification and, in turn, monitoring and reporting of output, outcome and impact indicators that are an integral part of the results-based management (RBM) process. Indicators are at the heart of the RBM approach. RBM at its simplest is a measurement tool that employs the log frame to help monitor results and their causal relationships to ensure objectives are met given the allocated resources. Adopting this approach improves ownership, both of the process of impact assessment, as well as managing the expected results to ensure objectives are met. A key set of criteria and questions that are Specific, Measurable, Attainable, Relevant and Time-bound (SMART) are often used to select or develop indicators.<sup>7</sup> Indicators should, to the extent possible, conform to the SMART paradigm and be built into project design at an early stage.

17. RBM is not the same as project or programme evaluation. Traditional evaluations are generally undertaken only after a project or programme is completed. In most evaluations, there is no obligation to feed the findings back into the project as part of an iterative, responsive, decision-making process. Project managers seldom receive real-time feedback; instead, feedback comes only with the findings of the formal evaluation by which time it is no longer possible to make corrections. Real-time (or nearly real-time) feedback loops are integral to results management and play a key role in supporting results-oriented decision-making. The two approaches complement each other.

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<sup>7</sup> The SMART principles: Specific: It identifies a specific event or action that will take place. Measurable: The changes are objectively verifiable. The intended result can be measured by using indicators and baseline data. Attainable: The intended result is realistic given the time frame of the project and the resources available. Relevant: The indicator will help to meet the needs identified. Time-bound: It has to be achieved in a stated time-frame or planning period.

18. The log frame is the primary management and planning tool through which development agencies determine appropriate strategies and tactics to attain key objectives. Many development agencies, including STDF partners and donors employ the log frame in their project/programme management. Therefore, it is crucial for SPS stakeholders to enhance their understanding of the various indicator types used and on how to monitor and report their progress. For illustrative purposes, Table 1 below provides a basic set of model indicators for SPS capacity building activities. The study will further expand on Table 1 and provide details on reporting requirements at each level.

**Table 1: Example set of indicators for SPS-related initiatives**

Type of indicator	Examples
Output indicators	<ul style="list-style-type: none"> <li>• Number of food/veterinary inspectors trained</li> <li>• Number of operational, commercially viable, laboratories</li> <li>• Number of workshops held and no. of officials trained</li> </ul>
Outcome indicators	<ul style="list-style-type: none"> <li>• Number of food producers and traders applying HACCP</li> <li>• New food law accepted by Parliament</li> <li>• Commercially viable laboratory accredited to international standards</li> <li>• Reduction in no. of food borne illnesses</li> <li>• Reduction in rejections of food exports by importing country</li> </ul>
Impact indicators	<ul style="list-style-type: none"> <li>• Increased consumer satisfaction with quality of food products</li> <li>• Increase in levels of food exports</li> <li>• Increased employment and positive income effects in poor households</li> <li>• Increased sectoral income or GDP</li> </ul>