Standards and Trade Development Facility (STDF)

A global partnership in SPS capacity building and technical cooperation

CTD - Small Economies
23 October
What do we do?

• A reference point for coordination and good practice of SPS capacity building

• Support and funding for development and implementation of projects that promote compliance with international SPS requirements
Members

- Founding partners (FAO, OIE, WB, WHO, WTO)
- Selected developing country experts (6)
- Donors (13)
- Observers

Working Group (twice a year)
Secretariat (6 staff members)

Annual budget (target): US$5 million
Thematic work on cross-cutting issues

• Linkages between SPS and Trade Facilitation (2013)
• International trade and invasive alien species (2012)
• Public private partnerships in the SPS area (2010)
• Climate change and SPS risks (2009)
• Use of economic analysis to inform SPS decision-making (2009)
• Good practice in SPS technical cooperation (2008)
STDF Funding

Grants for project development (PPG)
Grants $\leq$ US$50,000

Project grants (PG)
STDF contribution $\leq$ US$1$ million, 3 year duration or less

28 out of 32 countries
(direct or indirect beneficiaries of STDF projects)
Multi Criteria Decision Analysis

A tool to inform SPS decision-making processes and help prioritize SPS capacity building options for market access
Context

• Many countries face challenges complying with SPS measures in international trade
• SPS capacity-building needs are often substantial
• Challenges to establish priorities in face of resource constraints
• Information on which to base decisions often limited (supply and/or poor quality)
• Decision-making processes often ad hoc and lack transparency
• As a result, there is often a struggle to raise resources, while those resources that are available are often used inefficiently
• Need for more coherent and defensible priority-based decisions
What is MCDA?

• Way of making choices on basis of multiple criteria

• Applied when:
  – Choices driven by more than one criterion
  – No one option is clearly the best

• Recognizes the need to make trade-offs when options perform well on some criteria and less well on others

• Widely used family of techniques in private and public sectors
Aim of the MCDA framework

- Provide structured approach to establishing priorities between alternative SPS capacity building options (exports)
- Facilitates inputs from diverse public/private stakeholders
- Promotes transparency and *aids* decision-making
- Demand-driven capacity building
- Greater resource efficiency
- Enhanced trade and social outcomes and impacts
## Priority-Setting Framework

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Weights</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Option 1</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>20%</td>
<td>$3 million</td>
</tr>
<tr>
<td><strong>Growth in Exports</strong></td>
<td>30%</td>
<td>30%</td>
</tr>
<tr>
<td><strong>Small farmers</strong></td>
<td>30%</td>
<td>No</td>
</tr>
<tr>
<td><strong>Poverty impacts</strong></td>
<td>20%</td>
<td>Minor</td>
</tr>
<tr>
<td><strong>Ranking</strong></td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>
Stages in prioritization process

Compilation of Information Dossier

Definition of Choice Set

Definition of Decision Criteria/Weights

Compilation of Information Cards

Construction of Spider Diagrams

Derivation of Quantitative priorities

Validation

Sifting of Options

MCDA (D-Sight)
Decision criteria measures: up-front investment

- Aflatoxin testing of groundnuts
- Pest treatment for mango
- Pest treatment for maize
- FMD-free areas for beef
- Residue monitoring for honey
- Pest status of pineapple
- Aquaculture antibiotic controls
- Pesticide residue
- Pest risk assessment for hot peppers
Hypothetical decision criteria measures: trade impact
Baseline prioritization

- Aflatoxin controls for maize
- Capture fisheries hygiene
- Pest treatment for mango
- Residue monitoring for honey
- Pest risk assessment for hot peppers
- Pest status of pineapple
- Pesticide residue controls for fresh produce
- Aquaculture antibiotic controls
- Aflatoxin testing of groundnuts
- FMD-free areas for beef
Equal weights prioritization

- Pest treatment for mango
- Residue monitoring for honey
- Aflatoxin controls for maize
- Capture fisheries hygiene
- Pest risk assessment for hot peppers
- Pesticide residue controls for fresh produce
- Pest status of pineapple
- Aflatoxin testing of groundnuts
- Aquaculture antibiotic controls
- FMD-free areas for beef
Where has the MCDA framework been used?

With STDF involvement:

• Pilot applications in Mozambique and Zambia (2011)
• Belize (STDF project, 2012)
• Regional MCDA workshops for Africa (Johannesburg, 2011) and Asia & Pacific (Bangkok, 2012)
• Viet Nam (ongoing)

By national teams with COMESA and USDA/USAID support:

• Ethiopia*, Malawi, Rwanda, Seychelles, Uganda*

* STDF provided license keys for the computer software (D-Sight) used to run the analysis to Ethiopia and Uganda
Challenges

• Importance of a committed national driver / leader
• Outputs depend on inputs – importance of access to available information and stakeholder participation
• Data collection requires time and effort – avoid “rush” towards the software
• Asking and answering the right questions – value of an inter-disciplinary team (food safety, animal/plant health and trade experts + economist)
• “Institutionalizing” the approach – moving towards the use and re-use of MCDA (e.g. by national SPS committees)
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