

October 2010

Exchange of information on SPS

This document is a compilation of SPS information received for the STDF Working Group meeting of 22 October 2010 from:

- The Bill & Melinda Gates Foundation..... page 2
- The Food and Agriculture Organization of the United Nations (FAO)..... page 3
- The Inter-American Development Bank (IDB)..... page 6
- The International Food Policy Research Institute (IFPRI)..... page 8
- The World Health Organization (WHO)..... page 9
- The World Trade Organization (WTO)..... page 11
- Recent Publications..... page 12
- Information submitted to the WTO SPS Committee..... page 13
- Document on Randomized Evaluation of SPS-related Projects (received from Poverty Action Lab, Massachusetts Institute of Technology – MIT)..... page 14

- **THE BILL & MELINDA GATES FOUNDATION**

Partnership for Aflatoxin Control (PAC)

A strong commitment for working together to reduce the health, nutritional, and economic impacts of mycotoxins has been demonstrated by enthusiastic responses received to support the evolving Partnership for Aflatoxin Control (PAC). Altogether, 27 organizations have positively answered the call convened by the Bill & Melinda Gates Foundation.

Some work is already underway. For example:

- Work with IITA to identify a production facility to begin producing the biocontrol product Aflasafe in Nigeria, to expand biocontrol efforts in at least two countries, and to gather necessary data.
- USDA has identified US\$500,000 of its own resources for IITA and USDA scientists to begin field trials for a biocontrol agent in Kenya.
- The Milken Institute will host a meeting on financing for biological control manufacturing in London on 7 October.
- The foundation has identified a promising approach for an extremely inexpensive diagnostic tool, and is developing a grant to fund the research and development work necessary to realize and produce it at scale.
- A core group of donor institutions is working to further define and refine the goals and timelines for the aflatoxin control strategies identified in the June 2010 meeting, to be shared with PAC members upon completion.
- The foundation has engaged a consultant to develop a fundraising strategy and begin to confirm co-funding opportunities for the partnership.

Much work remains to be done, however. Work is needed to define the specific terms of the PAC. To that end, partners will be contacted bilaterally to further discuss how their proposed contributions (expertise, in-kind resources, and/or funding) can be used most effectively. Work with relevant organizations, based on expertise and stated interests, to establish technical working groups aligned to the six technical areas determined by those attending the June 2010 meeting to be core to the PAC.

The working groups will be asked to use a common framework for developing specific goals and strategies for their technical areas. These will then be aggregated and negotiated into a comprehensive and coordinated technical plan of action. A partnership meeting is proposed to take place in Africa later this year. Other planned events are examined to determine whether and where the second PAC meeting could be linked to an already-planned meeting which many partners will be attending. This meeting will give the opportunity to hear from experts and institutions about how things are progressing, to share strategies, and agree to next steps.

- **THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)**

Information Note on Selected FAO Activities in Food Safety Capacity Building

FAO Corporate Capacity Development Strategy

Ever since FAO's inception, Capacity Development (CD) has been at the core of its mandate and one of the most important result areas for the Organization in its work on agriculture and rural development. However, in an increasingly complex sector, FAO has to change to become a more effective CD actor and enhance the impact and sustainability of its work.

As foreseen in the PWB 2008-09, the Organization has developed a corporate CD strategy that places emphasis on national ownership and nationally-led change processes. The preparation of the strategy involved consultation missions to member countries, the documentation of case studies highlighting CD experiences in FAO, and the review of strategy documents and good CD practices from other UN agencies. The aim was to build a common corporate vision of FAO's enhanced CD role and formulate a way for the Organization to achieve that vision. The proposed corporate strategy is being presented to the FAO Governing bodies in October and November 2010 for their guidance.

FAO Technical Guidelines on Aquaculture Certification

The FAO Committee on Fisheries (COFI) sub-Committee on aquaculture, at the recent meeting held at Phuket, Thailand (27th Sept to 1st October, 2010), finalized the FAO Technical guidelines for aquaculture certification. These guidelines were developed following a consultative process in the form of 6 Expert Workshops held in different continents (Asia, Europe, North and South America) and a FAO Technical Consultation held in Rome during February, 2010. The guideline covers four agreed principal areas of certification of aquaculture (a) animal health and welfare (b) food safety (c) environmental integrity and (d) socio-economic aspects of aquaculture. Minimum substantive criteria in these areas have been elaborated in the guidelines. Institutional and procedural requirements for establishing and implementing certification schemes have been described in for parts (a) Governance (b) Standard setting (c) Accreditation (d) Certification.

The Technical guidelines will now be placed before the next session of COFI scheduled for January 2011 for adoption. These guidelines should be helpful to member countries in the context of emergence of multiple private standards and certification schemes, which are often perceived as trade barriers by small scale producers.

FAO Technical Meeting "Food safety and quality standards: updating and harmonization in transition countries" (7 to 9 December 2010, Kiev, Ukraine)

Countries in transition from a former state controlled system to a more market led liberal economy face specific challenges in updating and harmonizing food standards and related food safety policy decisions. Essentially, standards should be science based, and the assessment of risks in the food chain, should be separated from the risk manager decision making function. Since, the introduction of the WTO Agreement in 1995, numerous requirements are placed on governments including the importance of scientific justification for food standards and the latter should not pose an unjustified barrier to trade. Additionally, trading partner requirements can also influence national standard setting - relevant standards for countries in transition include the GOST standards, EC requirements and Codex standards.

Within the region, there is much experience in addressing these issues, and certain countries have been successful in making the transition. FAO is convening this Meeting to provide a platform for discussion and sharing of experiences and lessons learned within the region, on updating

and harmonizing food standards taking into account national priorities for consumer protection and food trade, and trading partner requirements on food standards.

The Objectives of the Meeting are:

- to gather information on the current status and development of food standards and related food safety policy decisions in the region;
- to share experiences among transition countries on ongoing activities to update and implement food standards;
- to provide guidance to food safety policy makers in the region on effective approaches to updating and harmonizing food standards taking into account national priorities for consumer protection and food trade, and trading partner requirements.

The meeting is being hosted by the National University of Life and Environmental Sciences of Ukraine in Kiev. The participating countries include: Armenia, Azerbaijan, Belarus, Georgia, Kazakstan, Kyrgyzstan, Republic of Moldova, Tajikistan, Turkmenistan, Russian Federation, Ukraine and Uzbekistan.

Imported Food Control Manual

As part of the “food inspection” series, initiated with the first volume “Risk Based Inspection” (FAO Food and Nutrition Paper No. 89) and complemented by the second issue “Guidelines for risk based Fish Inspection” (FAO Food and Nutrition Papers – 90), FAO is currently preparing guidelines for modern risk based imported food control practices.

These Guidelines will assist Governments in establishing or modifying Imported Food Control Programmes as part of their transition to modern risk based systems in order to achieve enhanced public health protection and to reduce unnecessary impediments to trade.

These guidelines will describe the operational components and requirements for food import control programmes ensuring consistency with the Codex Guidelines for Food Import and Export Inspection and Certification Systems thus promoting compliance with WTO principles and requirements.

A practitioner’s workshop, involving import control professionals from developing and developed countries, was held in May 2010 to review the detailed outline of the guidance document and validate the proposed approach and content. During the coming months, this outline will be further developed and the guidelines piloted in selected countries that depend heavily on imported food for their domestic food supplies and who have made a commitment for achieving improvement in their systems of food import control. Following this, the manual will be issued as an FAO Food and Nutrition Paper.

First Global Meeting of the International Food Safety Authorities Network (INFOSAN)

Building partnerships and enhancing the network

FAO, WHO and the Abu Dhabi Food Control Authority are inviting all INFOSAN Emergency Contact Points to participate at its first global meeting in Abu Dhabi on 14-16 December 2010. The International Food Safety Authorities Network (INFOSAN) is a platform established by FAO and WHO for sharing information on international food safety threats and best practices in food safety. With continually expanding global food trade, food safety emergencies that are international in scope are being identified more often posing new challenges to food safety authorities everywhere.

During the meeting, members will share ideas on improving structure and function of INFOSAN, review several INFOSAN case studies to identify ways to enhance coordination and information

sharing among members during global food safety emergencies, identify ways to create a more user-friendly password-protected information sharing platform, discuss the challenges of identifying emerging hazards and assessing risks that may be of global importance, identify opportunities and ways to improve interaction between network members and other food safety networks to share best practices in food safety, demonstrate how INFOSAN works with other relevant programmes such as GLEWS and EMPRES Food Safety and review and clarify interaction between INFOSAN emergency contact points and IHR National Focal Points.

FAO and WHO are seeking an improved sense of community among INFOSAN members, practical recommendations to enhance INFOSAN's function in the identification, verification and management of food safety event of international importance, an improved understanding among network members on how to assess events that could be reported and how this related to the WHO IHR and recommendations for how INFOSAN members can share best in food safety.

- **THE INTER AMERICAN DEVELOPMENT BANK (IDB)**

Capacity building on SPS related issues 2010 – IDB Integration and Trade Sector

1) Demand-driven capacity buildings

The IDB Integration and Trade Sector (INT) evaluate and select annually requests sent by Export Promotion Agencies and Chamber of Commerce to support the implementation of SPS capacity buildings. The objectives of these activities are: i) to strengthen the Latin America and the Caribbean (LAC) capacity to address SPS related challenges and, ii) to foster the technical knowledge to address SPS requirements to access specific markets.

Beneficiaries: Functionaries of Export Promotion Agencies and Chamber of Commerce, and private sector from LAC countries.

Methodology: These capacity building activities are organized based on a demand-driven approach. They aim at delivering training courses according to the specific needs raised by a particular country. They are derived from client-driven needs with a short to medium term scope amount to rapid responses to demands emerging directly from the countries. The topics covered vary depending on the specific needs of the country where it takes place, ranging from one particular subject such as HACCP to a broader one such as SPS requirements for processed products. These trainings are provided by INT experts, with the collaboration of other partner institutions outside and inside the region (FDA, APHIS, European Commission, CBI, WTO, IICA, OIRSA, etc).

Trainings implemented/planned in 2010:

i) Seminar on the SPS requirements to export food products to the US and the European Union, 12-13 April, Ciudad de Guatemala - Guatemala.

ii) Workshop on SPS requirements for fruits and vegetables and processed foods to the US and the European Union, 9-12 November, Lima - Peru.

Additionally, in April the IDB SPS Guide to Export Food to the European Union has been launched and disseminated through workshops that took place in Central America countries, 14-22 April.

2) Supply-driven capacity buildings (IDB/INTAL-WTO Capacity Building Program)

The IDB and the WTO have jointly implemented a Training Program for trade negotiators in the framework of the Memorandum of Understanding signed by these institutions in February 2002. These trainings aim to strength the understanding of the WTO legal framework. Every year both institutions have implemented trainings on Agriculture Trade, SPS and/or TBT. The objective of the IDB/INTAL-WTO Training Program is to strengthen the negotiating and implementation capacities of the regional governments regarding the multilateral trade agreements.

Beneficiaries: The target audience is trade officials from Latin America and the Caribbean (LAC) whose working responsibilities are closely related to the process of trade negotiation at a multilateral level.

Methodology: The annual program of courses is designed jointly by the WTO Division of Technical Cooperation and the IDB Integration and Trade Sector. The topics of the courses vary depending on the negotiations process dynamics related to the Doha Development Program and the specific needs of the regional countries. The trainings are provided by INT and WTO experts, with the collaboration of national and regional institutions. The material and agenda of the trainings can be found at INTAL website:

Trainings implemented/planned in 2010:

- i) BID/INTAL-OMC Latin America Regional Seminar on Agriculture Trade (with an SPS Module), 26-28 April, Buenos Aires - Argentina;
 - ii) BID/INTAL-OMC Latin America Regional Seminar on the SPS Agreement, 2-5 November, Lima - Peru.
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- **THE INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE (IFPRI))**

High-level international conference on "Leveraging Agriculture for Improving Nutrition and Health", 10-12 February 2011, New Delhi, India

This conference is motivated by the recognition that agriculture has important impacts on poor people's nutrition and health, and people's nutrition and health in turn affects their productivity. It will seek to help understand and unleash the potential of agriculture – as a supplier of food, a source of income, and an engine of growth – to significantly and sustainably improve poor people's nutrition and health.

This conference will inform, influence, and catalyze action to better use investments in agriculture to achieve nutrition security and good health for the world's poor people. For more information, please visit: <http://www.ifpri.org/2020-agriculture-nutrition-health>.

- **THE WORLD HEALTH ORGANIZATION (WHO)**

1) Call for expressions of interest to conduct a national burden of foodborne diseases study

Foodborne diseases (FBDs) are a growing public health problem worldwide, encompassing a broad range of illnesses. Data from surveillance systems and sentinel sites indicate a high disease burden for FBDs. Such data, however, tend to show only the tip of the iceberg, and refer mostly to diseases caused by microorganisms, not including chemical contaminants or parasites. In order to address this data gap, WHO established the Food Disease Burden Epidemiology Reference Group (FERG) which is mandated to estimate the global burden of foodborne diseases. In addition to global systematic reviews on individual foodborne hazards, WHO FERG is launching a first round of burden of disease studies at the country level. This is done through the FERG's Country Study Task Force which is developing protocols for national burden of disease studies as well as policy situation analyses.

Steps and preparation for the national burden of disease studies

Considering the complexity of the proposed task, some steps will be necessary to lay down the logistic and conceptual foundations in the countries conducting the studies:

- Initial workshop: a workshop for initial engagement will be held involving the government, scientific stakeholders and end users to discuss the purpose of the study, develop an understanding for the need for FBDs burden data, outline study protocols and create a work-plan and timetable.
- Pilot study: in order to test the feasibility of the studies and adapt the protocols to country specific needs, pilot studies will be conducted which include a selection of hazards and some aspects of the full study. It is hoped that countries conducting the pilot studies will proceed to the next stage of conducting a full study.

Timeframe

The timeframe for each country study is anticipated to be 1-2 years. The country studies will be conducted in three stages:

- Pilot studies are scheduled to commence in late 2010 and be completed by early 2011;
- Review and analysis of the pilot studies (3 months), and;
- Full country studies to commence in late 2011 and early 2012.

How to submit an expression of interest

Countries should submit their expression of interest by completing the template available at: http://www.who.int/foodsafety/foodborne_disease/ferg_country_studies/en/index.html.

Responses should be coordinated between government institutions so that each country submits only one expression of interest. The proposal should preferably be developed in collaboration with the respective WHO head of country office, which may be involved in the implementation of the pilot studies.

The final selection of countries will be made in collaboration with WHO country and regional offices and will be based on the submissions received as well as geographical representation.

Deadline: 1 November 2010

2) Global Foodborne Infections Network (GFN)

At the GFN Stakeholder and Strategic Planning Meeting of August 2010, a lot of information was exchanged in a very short time with stakeholders from other training programmes, professional societies, WHO Collaborating Centres, industry, etc. Afterwards some time was spent consolidating all the inputs to take it into account when discussing the GFN Strategic Plan the following days. The working versions of the new GFN vision, mission and goals that came out of the meeting are:

Vision:

A world where all countries prevent and control foodborne and other enteric infections

Mission:

To enable countries to detect, control, and prevent foodborne and other enteric infections by:

- Building capacity for integrated surveillance
- Fostering collaboration among human health, veterinary, food and other relevant sectors

Goals 2011-2015:

1. To foster partnerships relevant to regional and country goals
2. To raise awareness of GFN outputs and activities and its benefits of integrated surveillance to countries
3. To strengthen national and regional capacities for surveillance, investigation, and prevention of foodborne and other enteric infections
4. To generate country and regional data that contributes to a global understanding of foodborne and other enteric infections

All these goals have a number of SMART (Specific, Measurable, Achievable, Realistic/Relevant, Time-bound) objectives under them.

- **THE WORLD TRADE ORGANIZATION (WTO)**

Call for Aid for Trade Case Stories

The OECD and WTO Secretariats have issued a Joint Communication calling for Aid-for-Trade case stories. The objective of the call is to probe deeper into Aid-for-Trade objectives, challenges and processes to acquire better knowledge about outcomes and impacts of Aid-for-Trade through the submission of case stories. Case stories are well suited to offer a large group of stakeholders an opportunity to share experiences about what is working (or not) at the national and regional level, why it is working (or not) and what improvements are needed.

Case stories can be submitted by WTO Members, Observers, international financial institutions, multilateral and regional organizations, the private sector, civil society, academia and other interested parties.

Case stories submitted will provide an important source of information for the next Aid for Trade at a Glance publication and Third Global Review of Aid for Trade – the focus of which will be on outcomes and impacts.

The deadline for the submission of case stories is **31 January 2011**.

For more information please see: <http://www.oecd.org/dac/aft/casestories>.

- **RECENT PUBLICATIONS**

Denise Prévost (2010), "Sanitary, Phytosanitary and Technical Barriers to Trade in the Economic Partnership Agreements between the European Union and the ACP Countries", International Centre for Trade and Sustainable Development (ICTSD), Geneva, Switzerland.

http://ictsd.org/downloads/2010/09/prevost_web_final.pdf

Van Tongeren, F. et al. (2010), "Case Studies of Costs and Benefits of Non-Tariff Measures: Cheese, Shrimp and Flowers", OECD Food, Agriculture and Fisheries Working Papers, No. 28, OECD Publishing.

<http://www.oecd-ilibrary.org/content/workingpaper/5kmbt57jjhw1-en>

The Office of the U.S. Trade Representative – USTR (2010), "2010 Report on Sanitary and Phytosanitary Measures", Executive Office of the President, Washington, D.C. 20508.

[http://www.ustr.gov/sites/default/files/SPS%20Report%20Final\(2\).pdf](http://www.ustr.gov/sites/default/files/SPS%20Report%20Final(2).pdf)

The World Bank (2010), "Lao PDR: Operational Costs of Trade-Related Sanitary and Phytosanitary Activities", Poverty Reduction and Economic Management Sector Department – East Asia and Pacific Region, Washington, D.C.

<http://siteresources.worldbank.org/INTLAOPRD/Resources/293582-1236825229768/5910147-1266221816570/LaoSPSOperationalCostsFinalVersion.pdf>

- **INFORMATION SUBMITTED TO THE WTO SPS COMMITTEE**

Communication by the Codex Alimentarius Commission (Codex)

- Information on Activities ([G/SPS/GEN/1054](#))

Communication by the Inter American Institute for Cooperation on Agriculture (IICA)

- Actions for Implementing the WTO Agreement on Sanitary and Phytosanitary Measures ([G/SPS/GEN/1045](#))

Communication by the International Plant Protection Convention (IPPC)

- Report of the International Plant Protection Convention Secretariat (IPPC) ([G/SPS/GEN/1049](#))

Communication from the International Trade Center (ITC)

- Information on SPS-related recent and forthcoming assistance and other activities ([G/SPS/GEN/1053](#))

Submission by the World Organization for Animal Health (OIE)

- Relevant Activities ([G/SPS/GEN/1043](#))

Communication by the Organismo Internacional Regional de Sanidad Agropecuaria (OIRSA)

- Activities undertaken by the International Regional Organization for Plant and Animal Health (OIRSA) relating to the WTO Agreement on the Application of Sanitary and Phytosanitary Measures ([G/SPS/GEN/1050](#))

These documents are available online at the WTO SPS Information Management System (SPS IMS):
<http://spsims.wto.org/>

- **DOCUMENT ON RANDOMIZED EVALUATION OF SPS-RELATED PROJECTS**

Randomized Evaluation of SPS-related Projects

In the last decade, randomized evaluations have provided groundbreaking evidence on the relative efficiency of multiple development programs addressing health, education, micro-finance or governance issues. The simple methodology underlying these evaluations makes their results straightforward and uncontroversial. It has allowed researchers to check which programs work and has proven to be of utmost importance to convince governments and donors to scale up the programs found to be most efficient and cost-effective. Similarly, SPS-related projects would greatly benefit from randomized evaluations. Together with the existing process of gathering evidence through case studies, such evaluations will help identify the most promising programs and generate the political and financial support needed to extend these programs to a larger number of recipients and countries.

The randomized evaluation methodology

Like all impact evaluations, the main purpose of randomized evaluations is to determine whether a program has an impact, and to quantify how large this impact is. Randomized evaluations were first used in clinical settings to measure the efficiency of newly introduced medicines. For example, among an initial sample of 1000 patients, 500 are randomly chosen to receive a new medicine (the treatment group), and the other 500 are administered a placebo (the control group). The impact of the medicine is then measured by comparing the outcomes of patients (symptoms, healing status, side effects, etc.) between the two groups.

Researchers in social sciences soon realized that this methodology could be applied to evaluate programs granting social benefits or development projects. This only requires ex ante randomly choosing firms, households or individuals which will benefit from an intervention, as well as ex post comparing their outcomes in those dimensions likely to be affected by the intervention to the outcomes of the control group.

In this process, the random selection of the program's beneficiaries is the key step: because the treatment group is randomly selected, it is initially comparable to the control group and any difference measured ex post between these two groups can be attributed to the program, and to nothing else. For instance, if the initial sample comprises 150 small firms and 50 large firms, the random selection will split them in two groups of 100 firms each (75 small, 25 large). Suppose we find the treated firms to be more productive after they have benefited from the intervention. Thanks to the initial random choice, we know that this impact is not due to initial differences in the size of the firms between the two groups. Instead, due to the randomization, the treatment and control groups were initially symmetric in terms of firm size and any other observed or unobserved variable. The program alone is responsible for any difference measured between the two groups after it has been administered.

Benefits and constraints associated with this methodology

Recently, randomized evaluations have been increasingly applied to development programs. Their clear-cut results have provided an answer to international aid skeptics, who criticize the lack of proper evaluation of projects directed toward developing countries and funded by the international community.

The methodology of randomized evaluations enables researchers to overcome the limitations other methodologies encounter in disentangling the impact of an intervention from plausible confounding factors.

- For instance, in the comparison of outcomes of households or firms before and after they benefited from a program, it is often very hard to convincingly rule out the possibility that results are (at least partly) driven by causes unrelated to the intervention under study (another intervention, a general time trend, etc.).
- The comparison of non-randomly selected recipients of a program to other firms or individuals is in general equally unsatisfying: people who self-selected into a program or heard about it were arguably more motivated or well-connected to begin with than the ones that do not benefit from it. How, then, can one be sure that their higher (or lower) performance ex post does not have anything to do with these initial differences?

Randomized evaluations were designed to overcome these difficulties and produce unbiased results: the random selection of the treatment group ensures that the control group is its perfect counterfactual. It correctly pictures what would have happened to treated firms or individuals if they had not been treated, making the endline difference between both groups the true impact of the program. The rigorous evidence generated by randomized evaluations has appealed to many researchers. More and more apply this state of the art methodology all around the world and the J-PAL network alone counts a total of 50 associated professors who have conducted more than 200 randomized evaluations¹, among which some of the most prominent scholars in the economics profession².

The methodology and results have also convinced many stakeholders, from governments and international institutions to funders and nongovernmental institutions, who are now scaling up the programs that were proven to be efficient: the Mexican conditional cash transfer program “Progresa” has now been reproduced in more than 30 countries, while “Deworm the World” is implementing mass deworming programs proven by a seminal randomized evaluation to be one of the most cost-efficient ways to increase school attendance. More than other methodologies, randomized evaluations have impacted policy.

These evaluations are sometimes criticized for their cost. However, it is typically not higher than the cost of other types of impact evaluations attempting to provide sound evidence, and latitude granted by this methodology in the design of the experiment and the data collection accommodates constrained budgets. Similarly, the constraints associated with randomized evaluations are not significantly tighter than those associated with other methodologies. For instance, excluding half of the sample from the program is sometimes seen as unethical. However, independent of their evaluation, most programs are usually implemented at a limited scale in the initial stage, in which case it can actually be fairer to randomly select recipients. Moreover, in case it proves to be efficient, the intervention can of course be extended to the control group as soon as the evaluation is over, which provides the second advantage of overcoming a practical difficulty: the need to collect detailed data from the people or firms who belong to the control group and, thus, do not (at least not immediately) benefit from the program. Again, this difficulty and others are no smaller for other methodologies that compare treated individuals to a non-random control group³.

The application of randomized evaluations to SPS-related projects

Randomized evaluations have been used to address related questions, on agricultural and environmental issues. Some have targeted farmers, while others have targeted firms⁴. However, the

¹ More about J-PAL at the following link : <http://www.povertyactionlab.org/about-j-pal>.

² Esther Duflo, Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics at MIT, Director of J-PAL and laureate of the John Bates Clark Medal in 2010; Michael Kremer, Gates Professor of Developing Societies at Harvard and “Young Global Leader”, to name only a few.

³ More about the randomized evaluation methodology at the following link: <http://www.povertyactionlab.org/methodology>.

⁴ For instance, E. Duflo, J. Robinson and M. Kremer studied the use of fertilizer by Kenyan farmers and showed that complex implementation and information gaps explain why farmers do not use fertilizer

randomized evaluation methodology has not been used so far to estimate the impact of SPS-related projects or, more broadly, projects providing trade-related technical assistance. The randomized evaluation of a project funded by the STDF could thus deliver groundbreaking evidence, which would help to secure increased funding for implementation and scale-up of the evaluated as well as other technical assistance and aid-for-trade programs in the future.

The randomized evaluation of any of the STDF-funded demand-driven projects would require the full support of all stakeholders (NGOs, private companies, governmental agencies) implementing the project. Past experience has proven that this is the condition *sine qua non* of a successful randomized evaluation, as this methodology requires respecting the initial randomization and a tight monitoring of the program.

Once a project is selected, the next step is to choose the randomization design.

- For instance, if the intervention targets firms, the random choice of beneficiaries will be made at the firm level (and not the worker or the regional level).
- Second, the treatment group can either directly benefit from the intervention or only be given privileged information about the existence of the program (“encouragement design”). The former design could have been used for instance to evaluate a part of the project “Strengthening Vietnamese SPS Capacities for Trade” (STDF/PG/259). In this case, some firms would have been randomly chosen to benefit from training on good agriculture practices, traceability, branding and business management and all the chosen firms would have been enrolled in the program. The encouragement design could have been used to evaluate the project “Development of accredited Good Practices and HACK certification schemes for fresh and processed food products” (STDF/PG/238). Randomly chosen firms would have been given extensive information about the existence and content of these new schemes and encouraged to comply with them, and only some of them would have actually changed their strategy and business decisions accordingly.
- The randomized evaluation methodology allows a lot of flexibility not only in the choice of the randomization level and the intervention: the timing can also vary a lot from one evaluation to another. In a phase-in design, for instance, all firms eventually benefit from the program. The stage at which they benefit from it, however, is randomly chosen.
- Finally, depending on the project, it might be interesting to evaluate the relative efficiency of several variants of the intervention. In the case of the project STDF/PG/300, for example, one could have randomly divided the initial sample of applicants in three thirds, whereby some firms would have been given access to the information system; others would have benefited from this system and additional assistance to translate this system into new business decisions. The remaining firms would have received nothing, at least until the end of the experiment.

Different designs have different implications for the required sample size: based on the smallest impact that one would like to be able to measure, one will determine the number of firms that should be included in the initial sample to allow the detection of such an impact. This “power calculation” and related technicalities are common to all randomized evaluations, and can be easily translated to SPS-related projects.

Finally, the specificity of the evaluated project will command thorough thinking about all its possible first-order and second-order effects so that the data collected can be used to draw a fully-articulated

(<http://www.povertyactionlab.org/evaluation/nudging-farmers-use-fertilizer-experimentalevidence-kenya>). S. De Mel, D. McKenzie and C. Woodruff have measured the return to capital for microenterprises in Sri Lanka, and found it to be substantially higher than the market interest rate (“Returns to Capital in Microenterprises: Evidence from a Field Experiment”, *The Quarterly Journal of Economics*, vol. 123(4), pp. 1329-1372, November 2008).

causal chain and the evaluation can answer two related questions. First, did the SPS-related project itself improve the outcome of its recipients and increase their exports? And second, if so, did this increase affect their domestic and foreign market outcomes and, accordingly, the well-being of their employees and customers?

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