

# **INCEPTION REPORT**

**Strengthening the capacity of government officials responsible for  
food safety, animal and plant health, and agricultural trade in  
Nepal to effectively implement SPS measures and related trade  
obligations**

**MTF /NEP/060/STF**

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**Prepared by**

**Peter Sousa Hoejskov**

*Food Quality and Safety Officer  
FAO Regional Office for Asia and the Pacific*

## **1. Background and scope of the project**

In Nepal, one of the least developed countries in the world, agriculture provides a livelihood for over 80 percent of the population and accounts for 38 percent of the GDP. There is potential to expand exports of food and agricultural products to promote income generating activities and poverty reduction. However, these opportunities are severely restricted by the weak SPS regime in the country. Since SPS measures, trade and development are increasingly interconnected, the inadequate capacity of the SPS control regime in Nepal has the potential to severely damage the domestic economy, as well as human health and animal and plant health and life.

Controlling the import and export of agricultural inputs, plants and animals represents a real challenge for Nepal. Many inspectors, quarantine officials and others staffing border checkpoints are poorly informed about the SPS Agreement, international trade requirements, and regulations of the government of Nepal as well as bordering countries. Moreover, many have insufficient knowledge and skills to carry out inspection, quarantine and certification. Addressing these capacity constraints is essential to facilitate exports of high-value agricultural food products, and at the same time enhance the safety and quality of food in the domestic market and promote agricultural productivity.

## **2. Objectives and planned activities**

The overall objective of MTF/NEP/060/STF (referred to as “this project”) is to reduce food safety risks for domestic consumers in Nepal, enhance the protection of animals and plants and promote economic development through increased food and agricultural exports that meet international SPS requirements. More specifically the project aims at:

- equipping frontline officer responsible for monitoring and enforcing SPS measures on the ground with the knowledge and practical skills to effectively carry out testing, inspection, certification and approval procedures and quarantine treatments
- enhancing the technical and scientific knowledge and skills of selected mid-level officers to perform specialized tasks necessary for the implementation of SPS measures
- improving the ability of the SPS Enquiry Point and Notification Authority to proactively and effectively carry out their roles and responsibilities

In order to reach these objectives the project proposes to develop and implement an in-country training programme to support the implementation of the SPS agreement in Nepal. The training modules and supporting materials are planned to be tailored to the specific needs of particular target groups including food inspectors / technical assistants, veterinary inspectors and quality control officers, animal quarantine officers, plant protection and quarantine officers, and staff of the national SPS Enquiry Point and Notification Authority. The in-country training programme will be complemented by overseas training for selected mid-level officers who will serve as trainers for the implementation of the training modules.

### **3. Project management and technical support**

The Agribusiness Promotion and Statistics Division (APSD) is the focal point in the MoAC for all activities related to project implementation. In order to plan, review and discuss the implementation of project activities a Project Steering Committee (PSC) has been established. The PSC is chaired by the Joint Secretary, Agribusiness Promotion and Statistics Division, MoAC with representatives from the relevant sector departments including DFTQC, DLS, DOA and FAO-Nepal.

Technical support to the project is provided by FAO Regional Office for Asia and the Pacific (RAP) with the Lead Technical Unit (LTU) placed in the Nutrition and Consumer Protection Unit of RAP. The LTU will collaborate closely with AGNS FAO Headquarters and the concerned units in FAORAP.

### **4. Activities carried out during project inception**

From 23 to 29 May 2008 the Lead Technical Officer (LTO) from FAO RAP carried out an inception mission to Nepal with the purpose of participating and presenting<sup>1</sup> at the Inception workshop held on 26 May 2008, meeting with the various national stakeholders involved in the implementation of the project including the Project Steering Committee (PSC) and discussing the next steps to be taken in order to start the implementation of the project. The programme of the inception mission is attached in Annex 1.

The main findings from the inception mission include the following:

- The national stakeholders including the PSC are very keen on supporting the implementation of the project. Strengthen capacities among concerned government officials to effectively implement the SPS agreement is a high priority in Nepal and all national stakeholders are very committed to contributing to the implementation of the project.
- At the time of the inception mission, the political situation in Nepal was undergoing major changes. During the mission Nepal's 239 years old Monarchy was abolished and the country was changed into a Republic. The political situation in the country may affect the implementation of the project and the timing of some of the activities
- A number of other projects covering SPS related issues are currently being implemented in Nepal by other development agencies. Projects that need particular attention when it comes to collaboration and coordination of activities are the EC-Nepal WTO Assistance Programme and the World Bank's Agricultural Commercialization and Trade Project (ACTP). During the inception mission the LTO met with the concerned officer in the World Bank responsible for ACTP. The meeting showed that the areas where the ACTP and this project have close linkages are training of the SPS Enquiry Point, procedures for import and export control and certification, legislation and enforcement as well as quality and safety assurance

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<sup>1</sup> The presentation delivered by the LTO at the Inception workshop is attached in Annex 3.

systems such as GAP, GMP, GHP and HACCP. The ACTP is currently under formulation and waiting for inputs from MoAC with regard to needed adjustments in the project design caused by the changed political situation in the country. The World Bank plans to make a “reality check” of the needs for capacity building before the project gets started. The project is likely to be a five years project with a budget of about USD 20-30 million. It was agreed that FAO should keep the World Bank informed about the progress with the implementation of this project. Special attention will be given to providing information about how the ACTP can follow-up on the capacity building activities carried out under this project and how ACTP can contribute to cover the gap between needs for capacity building and training provided under this project.

- Regarding the recruitment of international consultants and implementation of “training of trainers” (ToT) programmes, it was stressed that FAO should be very careful in selecting the right candidates. This is due to the fact that the success of the in-country training programme to a great extent depends on successfully training of national experts, who can serve as internal trainers, for which the international experts will be responsible. Regarding timing the project will aim at bringing the international consultants to Nepal during August 2008 in order to work with the relevant ministries and agencies involved in the project and conduct the ToT modules. It was also agreed that the PSC should be involved in reviewing the CVs of proposed candidates before these are recruited.
- Selection of participants in the ToT courses will be proposed by the concerned departments and final selection will be done in consultation between FAO RAP, FAO-Nepal, the PSC and the international consultants. The participants should be selected according to their technical skills and may be government officers and/or staff at universities, research institutions and others. Emphasize should be on the candidates potential for conducting the necessary training modules.
- During the Inception workshop on Monday 26 May 2008 the issue of senior managers’ in the concerned ministries and agencies involved in SPS related issues participation in in-country training courses was discussed. Some national stakeholders stressed that senior managers need to take part in the training in order for them to understand, manage and supervise their staff. Senior management’s involvement could be in terms of organizing a study tour abroad. However, in consultation with the members of the PSC it was agreed that the main focus of the project is to improve the skills of front-line officers rather than senior managers. The main need for capacity building in Nepal is hands-on training of food inspectors, technical assistants, quality control officers and others who are directly involved in applying SPS measures throughout the country. Budget constraints also limit the opportunities for including training and/or study tours for senior level managers. It was therefore agreed that training of senior managers should not be included under this project, but that it may be proposed to the World Bank to include such training under the ACTP.
- The implementation of the proposed in-country training courses need to be coordinated and implemented in consultation with the on-going regular training programme for MoAC staff as well as with other relevant projects implemented by other development agencies. In particular ACTP and the EC-Nepal WTO Assistance Programme.

- The in-country training programme has been revised in consultation with the PSC and in accordance with the inputs and comments provided by the participants in the Inception workshop on Monday 26 May 2008. In general the number of participants at the ToT courses has been increased while the number of participants and/or duration of certain training modules have been reduced. The total budget for in-country training remains the same as the one approved in the project document. A few new technical issues have also been included in the in-country training. Among these are general aspects of “Good Practices” including Good Agricultural Practices (GAP), Good Manufacturing Practices (GMP) and Good Hygiene Practices (GHP) as well as the concept of risk analysis applied for the different sectors. The revised training programme is attached in Annex 2.

## **5. Conclusions and follow-up action**

SPS issues go beyond institutional structures and require close collaboration and commitment from all involved stakeholders. The inception mission showed all concerned national stakeholders including the PSC members are very keen on supporting and facilitating the implementation of the project. It is expected that the project will contribute positively to strengthening the inter-ministerial and inter-departmental communication among the involved stakeholders.

The project provides a good platform for further capacity building activities in the area of SPS in Nepal. The capacity building activities conducted under the project can be followed-up by other development agencies with activities and projects in this area. In particular the World Bank’s ACTP project and the EC-Nepal WTO Assistance Programme. The RO as well as FAO-Nepal will continuously provide information about the project progress to these development partners. Efforts will also be made to coordinate the in-country training programme with MoAC’s regular training programme.

The RO will contact colleagues in FAO Headquarters and FAO RAP working in the area of food safety and animal and plant health in order to obtain a list of potential international consultant who can be recruited under the project. The international consultants are expected to come to Nepal during August 2008 and start the ToT modules. If possible all three international consultants should come to Nepal at the same time in order for them to coordinate their activities.

With regard to the duration of the project, FAO-Nepal as the project’s budget holder will investigate the possibilities and requirements for extending the project beyond the current NTE which is 28 February 2010.

## **6. List of Annexes**

- 1) Programme of the inception mission
- 2) Revised in-country training programme
- 3) The LTO’s presentation at the Inception workshop