

TERMS OF REFERENCE

CONSULTANCY SERVICES FOR AUDITING OF NATIONAL SPS SYSTEMS AND TRAINING AND CAPACITY-BUILDING OF VALUE CHAIN ACTORS/ STAKEHOLDERS IN BORROWING MEMBER COUNTRIES

1. BACKGROUND

1.01 According to the CDB and the Food and Agriculture Organisation (FAO) 2019 Report on 'The State of Agriculture in the Caribbean', CDB/FAO 2019, several factors hinder the trade of agricultural products within the Region. Among them are unjustified sanitary and phytosanitary (SPS) measures, primarily due to the absence of regionally harmonised SPS standards, guidelines, and protocols. As a result, exporters face considerable uncertainty and high and sometimes prohibitive costs when trading agricultural products within the Region. The situation runs counter to the principles enshrined in the CARICOM Single Market and Economy (CSME).

The CARICOM Heads of Government have expressed their intention to increase regional food production and trade and, through the Council for Trade and Economic Development (COTED - Agriculture), have launched the Road Map for Food Security in support of the 25 by 2025 initiative – the reduction of food imports by 25% by 2025¹.

1.02 The absence of standardised agricultural trade practices and harmonised SPS measures within CARICOM poses a myriad of challenges and risks to the regional agri-food system, agri-enterprises, consumers, and the environment. These challenges include uncertainty, market access difficulties, increased business costs, safety concerns, and hindrances to growth and enhancement of the regional agri-food system/value chain.

1.03 Considering these challenges, establishing and adhering to uniform standards within the CARICOM community is crucial. Standardisation can streamline trade processes, reduce compliance costs, enhance consumer confidence, and facilitate the smooth functioning of regional supply chains. Moreover, standardised practices can strengthen CARICOM's collective bargaining power, enabling the Region to negotiate more favourable trade agreements on the international stage. By addressing these issues, CARICOM can foster a secure, competitive, and sustainable regional agri-food system and trading environment.

1.04 In 2021, the CDB supported the Caribbean Agricultural Health and Food Safety Agency (CAHFSA) by financing a Technical Assistance Grant for developing guidelines^{28/} to facilitate intra-regional trade in selected plant and animal products (Phase 1). The guidelines were adopted during the 104th Special Meeting of the Council for Trade and Economic Development (COTED-Agriculture) held on July 8, 2022. COTED also reached a unanimous consensus on the necessity for further efforts,

^{1/} The CARICOM Ministerial Taskforce (MTF) on Food Production and Food Security reported that in 2022, Member States were collectively able to achieve 57% of the target set in keeping with realising 'Vision 25 by 2025'. The MTF report highlighted production data for targeted commodities (ginger, turmeric, corn, soya bean, root crops, fruits, cocoa, poultry, meat, fish, table eggs, and dairy) as CARICOM moves towards lowering the regional import bill.

^{2/} Animal Products (Eggs, Sheep and Goat Meat, Dairy Products, Beef and Honey) and Plant Products (Banana and Plantain, Onions and Escallions, Crucifers (Broccoli, Cauliflower, Lettuce, Cabbage, Pak choi), Cucurbits (Cucumber, Watermelon, Pumpkin, Squash), Legumes (Peas and Beans), Spices (Ginger and Turmeric), Solanaceous crops (Tomatoes, Peppers, Eggplant), Taro (Dasheen) and Eddo, Yam, Cassava, White Potatoes, Sweet Potatoes, Pineapple and Corn.

specifically requesting: (1) the development of regional standards based on the approved guidelines, and (2) assistance to BMCs in auditing their national SPS systems. In response, CDB will support the next phase of this crucial initiative, which involves developing regional SPS standards and initiating a pilot programme to audit national systems. This aims to strengthen the SPS regime and build human capital (both public and private sectors), particularly for those involved in intra-regional trade of agricultural commodities.

2. **OBJECTIVE**

2.01 The primary objective of the consultancy is to audit national SPS systems and provide recommendations for enhancing the SPS regime, alongside capacity building for value chain actors and stakeholders from both the public and private sectors involved in the intra-regional trade of agricultural commodities. This activity will be piloted in countries covered under the CDB/FAO study - Establishment of a Maritime Cargo Service linking the southern Caribbean (Barbados, Grenada, Guyana, and Trinidad and Tobago) and other selected BMCs (particularly the Organisation of Eastern Caribbean States - OECS) based on request for market access³.

3. **SCOPE OF SERVICE**

3.01 The Consultant's task is to evaluate BMC's capability to implement the relevant standards and guidelines for a specific market access request (trade in an agricultural commodity between seven BMCs and detect any shortcomings in the national SPS systems that may pose challenges.

3.02 The Consultant should undertake the following:

- (a) In consultation with BMCs, CAHFSA, and CRFM, identify an appropriate regional trade negotiation or request for market access that can be used for the analysis.
- (b) Describe the characteristics and develop a framework for an appropriate (generic) National SPS System, considering the WTO-SPS agreement and other relevant multilateral agreements that BMS has signed.
- (c) Using the agreed market access and trade negotiations as a basis, evaluate the required SPS capacity needed to implement the relevant guidelines or standards successfully.
- (d) Conduct an audit of the SPS capacity of both the importing and exporting BMCs to determine their ability to implement the standards and guidelines and conduct trade effectively.
- (e) Identify and document any gaps in the national SPS systems that would impact the country's ability to trade effectively in the commodity.
- (f) Provide recommendations on how to strengthen the SPS regime and create a comprehensive action plan to build capacity of value chain actors/stakeholders. The primary focus should be on eliminating bottlenecks that hinder exports and imports, as well as addressing SPS capacity gaps to improve market access.

³ In the context of CARICOM (Caribbean Community), a "Request for Market Access" refers to a formal communication or proposal made by a member state of CARICOM to another member state or to CARICOM as a whole. The purpose of such a request is typically to seek permission or favourable terms for accessing the markets of another CARICOM member state for the trade of goods and services.

3.03 The Consultant will be required to undertake all the activities necessary to accomplish the Project's stated objectives. This will be done under the general direction of CAHFSA with support from CRFM and the Technical Advisory Committee (TAC)⁴.

3.04 The main tasks/activities of the consultant include, but are not limited to, the following:

- (a) Compile a list of regional trade negotiations or market access requests from countries covered under the CDB/FAO study - Establishment of a Maritime Cargo Service linking the southern Caribbean for CAHFSA, CRFM, and the TAC to review and make recommendations on.
- (b) Thoroughly review and document all pertinent details related to the potential trade, such as SPS measures, risk analyses, market access proposals, risk management proposals, and regional trade agreements.
- (c) Review all national documentation on conditions for importing and exporting the specified commodities.
- (d) Develop or agree on the use of an appropriate tool/methodology to assess the SPS capacity of the pilot BMCs.
- (e) Hold national consultations to assess the current status of the SPS system.
- (f) Create a comprehensive list of any identified weaknesses present in the national SPS system of the pilot countries that may hinder their ability to use Standards and guidelines.
- (g) Conduct national validation sessions with the pilot countries to discuss and validate the assessment results, including the identified gaps and any capacity development needs.
- (h) Facilitate four capacity-building sessions (one per country) with national value chain actors/stakeholders in collaboration with designated SPS authorities. The consultants will be responsible for their travel and accommodation related to the consultations. CAHFSA will cover all other logistical arrangements
- (i) Support CAHFSA and CRFM in developing information and communication products for targeted distribution to all BMCs and relevant regional stakeholders.

4. REPORTING REQUIREMENTS

4.01 The Consultant will be required to submit the following reports:

- (a) **Inception Report** – Work plan including the methodology and the approach to be adopted. A detailed timeline for project activities, a report format, and a preliminary list of secondary data sources. The Report should be submitted within **one (1) month** of the commencement of the assignment.
- (b) **Progress Report 1** - Update on the assignment, including a description of the trade chosen for the pilot implementation, the exporting and importing countries, and any relevant issues related to the potential trade. The report should also include:
 - (i) Details on any risk analyses completed by the pilot countries, along with a discussion on SPS measures currently applied to trade in these commodities.
 - (ii) Any updates or amendments to the methodology proposed for the evaluation of the national SPS capacity of the pilot countries. This will be submitted **three (3) months** after the commencement of the assignment.

⁴ Committee of regional agency experts that provides technical support to CAHFSA on SPS-related activities and deliverables from consultants - CARICOM Secretariat, FAO, Caribbean Plant Health Directors (CPHD) Forum, CARICOM Chief Veterinary Officers (CCVOs).

- (c) **Progress Report 2.** Update on the assignment, including the audit results, a list of identified weaknesses in the exporting and importing countries, recommendations on options to address the gaps and an action plan for capacity building. The second Progress Report will be submitted **12 months** after the commencement of the assignments.
- (d) **Draft Final Report** - Document including all major outputs. The Report should also contain lessons learned, training/capacity building plan and recommendations⁵ for follow-up actions. The Report will follow the validation exercise and will be reviewed by the TAC and technical specialists through a peer review process. The draft Final Report will be submitted **18 months** after the commencement of the assignment. Comments by CAHFSA, CRFM and TAC will be provided within **one (1) month** of receipt of the report.
- (e) **Final Report** - A final report incorporating comments by CAHFSA, CRFM and the TAC and completed audit reports will be submitted within **one (1) month** of receipt of comments.

4.02 All reports and supporting documents should be produced in Microsoft Word and submitted electronically to the Project Coordinator and the CEO of CAHFSA.

5. IMPLEMENTATION ARRANGEMENTS

5.01 The Consultant will work under the guidance of the Project Coordinator – CAHFSA, as it pertains to the execution and logistics of the assignment.

6. QUALIFICATIONS AND EXPERIENCE

6.01 The Firm should have the following:

- (a) Key experts (Agriculture Development Specialist, Agriculture Trade Specialist and Agriculture Health and Food Safety Specialist) with at least a master's degree and ten (10) years' relevant professional experience. In addition, the Team Leader should have at least five (5) years' experience leading multidisciplinary teams involved in similar types of interventions.
- (b) At least five years' consulting experience, particularly relevant to regional and international trade requirements for fresh agricultural products.
- (c) Expertise or training in:
 - (i) SPS capacity evaluation tool (s)
 - (ii) Selection and implementation of SPS measures for use in trade
 - (iii) SPS import regulatory systems and export certification systems.
 - (iv) Evaluation of commodity production practices in relation to SPS risk management.
- (d) Solid, proven professional experience in analysing policies, strategies, and approaches of regional plant, animal and agri-food systems.

⁵ Inclusive of resource gaps (human and financial) and infrastructure requirements.

- (e) Proven experience in the development and implementation of standards, protocols and guidelines, particularly as elaborated by the Codex Alimentarius Commission, the International Plant Protection Convention (IPPC) and the World Organization for Animal Health (WOAH).
- (f) Proven experience in designing, implementing and monitoring crops, livestock and fisheries health and food safety systems.
- (g) Proven experience in planning/advisory functions in programs/projects dealing with the regional import/export trade in plant and animal products.
- (h) Proven experience in developing and delivering training programmes on SPS requirements for regional import/export trade in crop, livestock and fisheries products.
- (i) Proven experience in the development of agricultural trade interventions that are inclusive and address gender-related dynamics within the sector.
- (j) Other technical competencies include:
 - (i) Proficiency in report writing.
 - (ii) Excellent analytical skills.
 - (iii) Experience in executing gender-responsive and participatory stakeholder consultation.
 - (iv) Gender analysis of policies and programmes.
 - (v) Excellent oral and written skills.