

As part of trade-related technical assistance, the World Bank has been involved in operational lending projects in standards and SPS capacity building with the goal of enhanced agricultural productivity in developing countries. For example, current projects in Bank lending operations include:

### **China Sustainable Coastal Resource Development 1998 – 2006**

The Project aims to 1) support the government in sustaining developing China's coastal resources; 2) reduce pressure on coastal fishery resources and 3) help improve aquatic product quality. There are four components. The first forms and implements programs in four provinces. It establishes institutional arrangements to promote coastal zone management (CZM); assesses resource use; provides hardware and software for data management and analysis as well as equipment and training for environmental data collection and analysis; establishes fishery and environmental management centers; provides surveillance vessels and equipment; and establishes a coastal forest protection belt. The second component supports environmentally sustainable marine aquaculture in shallow waters and tidal flats. It finances equipment, facilities, and services to farmers in aquaculture. It raises fin fish in net cages; breeds oysters, scallops, kelp, algae, clams, and laver (a red algae); and uses artificial breeding techniques. The third component supports trials of new methods of shrimp culture. The fourth finances a number of seafood handling operations, including processing and wholesale markets, to improve product quality and safety. Selected cold storage, packaging facilities, and wholesale markets will be expanded and improved, and processing facilities will be built and expanded. Training will occur in hazard analysis concepts. This will enable the companies to meet higher standards of quality and safety demanded by China's main customers in North America and Europe. The size of the agricultural safety component funded by the World Bank is \$19.5 millions.

### **Uruguay Foot and Mouth Disease Emergency Recovery 2001– 2005**

The project objective is to provide technical and financial support to the GOU to help contain and mitigate the impact of the outbreak of the Foot and Mouth disease. The project comprises the following components: (1) Epidemiological Containment of Foot and Mouth disease through the immunization of the entire national herd with compensation to farmers whose cattle were affected by the obligatory culling of their cattle; (2) strengthening of MGAP's Monitoring, Surveillance and Control system, including the establishment of sanitary barriers in key points of the interior and at the main border passes, and the strengthening of the information system to track animal movement and sales; (3) Training, Education and Awareness of local producers as well as current and potential importers of Uruguayan livestock products; and (4) Project Coordination and Management. The project would contribute to minimize the short and medium term impact of the emergency by defraying the substantial and unexpected expenditures incurred in the implementation of the comprehensive containment and recovery plan. The size of the agricultural safety component funded by the World Bank is \$6.3 millions.

### **Niger Agro-Pastoral Export Promotion 2001 – 2005**

The Agro-Pastoral Export Promotion Project for Niger aims to make producers and exporters efficient in supplying the agro-pastoral export market, reacting to market changes, and seizing opportunities. There are three project components. The first supports a cluster of activities that promote trade and information services including product and market identification and development, trade information services, specialized support services on procedures, product quality and packaging, applied research, promotional activities abroad, and a project website. The second component provides institutional support to producer and exporter organizations including legal advice, and assistance for internal organization and financial and administrative management. Support will be provided through project specialists, consultants, seminars, and other training for a. It will also encourage the formation of savings and credit services. The third component comprises a demand-driven matching grant facility made available to the organizations assisted or formed in the second component. Organizations will be actively encouraged and assisted in preparing proposals based on the needs of their members. Under the sub-component of quality development, the project provided specific training sessions as well as study tours and participation to seminars for producers/exporters to establish Niger's product brands, logos, labels and packaging materials. The project imported successfully sample of packaging and processing materials for onion, cowpea, sesame, sweat pea and fresh and dry meat that were used later by producers/exporters. Sources of supply were identified by the project and several exporters imported from those sources and others. In addition, specific information is being disseminated by the project on quality requirements in target markets (inspection, testing and certification). The project supported the newly service of normalization within the ministry of trade to develop labels for onion, Arabic gum, sesame and livestock. The project is intended to increase rural employment, farm income, and farm profitability - directly (through farm-level interventions), and indirectly (by increasing exporters' demand for farm products). It will increase export levels, improve Niger's balance of trade, and generate foreign exchange. It will improve the quality of selected agro-pastoral products, thus gaining access to new markets and strengthening Niger's international comparative advantage. The size of the agricultural safety component funded by the World Bank is \$0.6 millions.

### **Tunisia Agricultural Support Services 2001 – 2007**

The Agricultural Support Services Project aims to develop, on a pilot basis, organizational structures for producers that represent their needs and interests; improve the institutional capacity and quality of agricultural services delivered by public and private institutions and producer organizations; and improve the flow of information for all stakeholders. The project consists of five components: 1) This component will support capacity building for producers organizations (both local and national) and inter-professional organizations to improve market access and provide, manage, and finance

services to their members. 2) This component will support public, cooperative, and private services that deliver producer services focused on increasing quality, value added, and market access. 3) This component will support public, cooperative, and private services that deliver producer services to livestock producers, with particular focus on improving quality of services and their sustainability through progressive transfer and cost recovery. 4) This component will aim at protecting Tunisian produce from plant diseases and predators, and at protecting consumers from pesticide residues, and thereby increasing the value and market access of produce. 5) This component will maximize the coverage, reliability, and availability of statistics and information for all parties making choices affecting the sector. It will also support project management. The fourth component, plant protection and seed and plant certification consists of strengthening capacity for plant protection and seed import and registration, by expanding the pesticide residue and seed testing capacity, development of monitoring and surveillance on internal trade and on imports and exports; and improving awareness and practices about cost effective and sustainable pest control and integrated pest management. This component would lead to safer and higher quality products and improved acceptance by local and international markets. It is expected that the project would generate significant economic benefits by increasing productivity of factor use, by improving quality of produce and thereby net revenues, and by increasing the volume of produce marketed, with particular increases in higher value added markets, including export markets. The size of the agricultural safety component funded by the World Bank is \$4.62 millions.

#### **Jordan Horticultural Exports Promotion and Technology Transfer 2003 – 2006**

The development objective of the Horticultural Exports Promotion and Technology Transfer for Jordan is to improve horticultural export marketing by pilot testing: a) a system of out grower farming between large and small/medium scale farmers (henceforth called out growers); and b) the building of the technological capacity of farmers, especially the out growers. There are four project components. The first component finances the creation of a specialized department in the Jordan Export Development and Commercial Centers Corporation (JEDCO) focusing solely on the promotion of horticultural exports. It also provides limited support to the Agricultural Marketing Department (AMD) in its role on collecting and relaying market prices to farmers, collecting statistics on production and export volumes, lobbying for export-friendly policies, and regulatory functions. The second component finances adaptive technology development and transfer, capacity building for small and medium scale farmers, and technology transfer specialists. Demand-driven support services and systems will provide adaptive technological support through field testing and verification of new varieties, soil and water management, pest and disease management, and pesticide residue testing and related quality certification services. The third component supports quality testing and certification of export produce. The fourth component funds the project coordination unit. The project's overall benefits to the country would accrue from horticultural quality improvement, improvements in quality control, timely issuance of export certificates, and savings in terms of transportation cost. The size of the agricultural safety component funded by the World Bank is \$3.40 millions.

#### **Bosnia Small-Scale Commercial Agriculture Development 2003 – 2009**

The Small Scale Commercial Agriculture Development Project for Bosnia and Herzegovina will focus activities in the Southeastern part of the country. The area has a Mediterranean climate, which is favorable for early production of fruit and vegetables, has potential for on-farm irrigation resources and continues to have traditional trade with neighboring countries. This area was impoverished by the war but has the potential to respond readily to a revitalization program. The project will 1) encourage farmers to adopt more productive and profitable production systems and increase the marketability of their surplus production; 2) create a dynamic commercial agriculture by strengthening linkages among farmers and markets through the promotion of private sector investment, and credit for farming, agro-processing and trading; 3) facilitate the export of agriculture products, through information and technical assistance; and 4) support measures and investments to strengthen the physical and institutional infrastructure of rural communities. The project components are: a) market integration; b) private agribusiness support; c) commercial farmers development; and d) project management. The increased production and productivity resulting from the project will increase farming and other rural incomes, and reduce unemployment and poverty. The project would assist in the development of quality specifications and food safety that would be consistent with market opportunities and the legal requirements of the EU and other international markets. It would assist in the development of optimum quality throughout the production and marketing chain, which would be consistent with market opportunities and food safety requirements in domestic and international markets and with producer resources. The project would finance technical assistance for quality specifications and training programs in sanitary and phytosanitary (SPS) and Hazard Analysis Critical Control Point (HACCP) subjects. The project would also finance innovative quality improvement programs and certification systems for potential export products. The size of the agricultural safety component funded by the World Bank is \$0.3 millions.

#### **Peru Trade Facilitation and Productivity Improvement 2004 – 2006**

The Trade Facilitation and Productivity Improvement Technical Assistance Project development objectives are to assist the GOP in: (a) establishing a more streamlined, integrated, and effective institutional, and policy framework to increase nontraditional exports; and (b) developing, and implementing initiatives designed to foster the entrance of new export market participants, especially small and medium producers. The project would achieve these objectives by providing technical assistance to: (1) elaborate and implement a national plan to improve Peru's competitiveness drawing from locally-generated regional strategies, and partnerships with the private sector; (2) strengthening mechanisms of interaction, and cooperation between private, and public parties at regional, national, and local levels; (3) disseminating information, and training to the private sector, and selected public sector institutions; (4) conducting pilot and small scale initiatives to test alternative schemes to improve quality, and productivity; (5) analyzing new market opportunities,

instruments for trade facilitation, inefficiencies in the distribution chain, and export processing, and, preparing design, and feasibility studies for infrastructure bottlenecks in transport logistics; and (6) refocusing, and overhauling key, public sector entities to achieve their institutional objectives, and boost Peru's competitiveness. The main objective of the fourth component is to contribute to the initiation of an integrated system of quality management at a national level based on close collaboration between the public and the private sector. It consists on three sub-components: (i) quality promotion, normalization, accreditation and adoption; (ii) improvement of sanitary certification processes; and (iii) upgrade and restructuring of the Centro de Innovaci3n Tecnol3gica (CITES) model. It is hoped that through this program of technical assistance Peru will begin to dramatically increase its exports, especially non-traditional products which will translate into the establishment of quality standards and a higher level of compliance with certification. The size of the agricultural safety component funded by the World Bank is \$1.3 millions.

#### **Romania Modernizing Agricultural Knowledge and Information Systems Project 2005 – 2010**

The development objective of the project is to assist the Romanian Government to improve the competitiveness of farmers and agro-processors in the EU accession environment. This will be achieved through the following four components: (i) strengthening the National Policy and Regulatory Framework, including support for the newly decreed Romanian Agency for Food Safety (RAFS) and better implementation of measures for inspection control, risk management and communication in food safety matters; (ii) modernized and strengthened national research and extension system to provide staff in the food safety agency as well as within the research and extension system with necessary agricultural knowledge, skills, and technology; (iii) improved advisory services to ensure access to relevant information and technology by the farming community; and (iv) increased access of farmers and processors to knowledge of technologies related to production, quality control, food safety, processing and marketing in order to meet EU requirements. The objective of the support under the first component will be to strengthen the National Agency for Sanitary, Veterinary and Food Safety (ANSVSA) and Phyto-sanitary units so that they are better able to (i) implement the new food safety regulations adopted by Romania in compliance with EU accession requirements; and (ii) provide the necessary control and verification of fresh and processed products to enable farmers, agro-industry and food processors to supply local and international markets. The component will support the RAFS with the following: (i) development of its overall structure, staffing, training, laboratories, equipment and operating costs; (ii) its activities related to development of food safety standards, inspection, testing, enforcement, training and communications; and (iii) building its capacity to advise the MAFWE and Ministry of Public Health in updating and implementing the policy and regulatory framework in line with the EU agro-environmental requirements. The size of the agricultural safety component funded by the World Bank is \$13.2 millions.

#### **Kazakhstan Agricultural Competitiveness Project 2005 – 2010**

The project objective is to increase the competitiveness of the agricultural sector in Kazakhstan by facilitating access to markets and knowledge. To achieve this objective, the project would: (i) facilitate access to markets by improving the quality and safety of agricultural products, facilitating access to information, and improving market efficiency; and (ii) increase the quality, quantity, and relevance of public and private investments in applied agricultural research and knowledge transfer. The Project will consist of the following four components: (a) quality and safety management of agricultural products (b) agricultural marketing, (c) applied agricultural research and extension; and (d) institutional development and agricultural policy. The first component will enhance the management of food safety control and quality certification along the value chain through the following two sub-components: 1) Harmonization and Development of Standards. This subcomponent will strengthen the ongoing effort of standards harmonization, including the safety (public) standards required by the Codex Alimentarius and the Sanitary and Phytosanitary (SPS) Agreement of the WTO and a set of quality (private) standards including organic production. 2) Quality and Safety Monitoring This subcomponent will improve the capacity of the public and private sectors to monitor food quality and certify standards of agricultural products through an internationally recognized system for testing and monitoring of quality and safety. The size of the agricultural safety component funded by the World Bank is \$10.8 millions.

#### **Philippines Diversified Farm Income and Market Development Project 2004 – 2009**

The Diversified Farm Income and Market Development Project will assist the Government in strengthening the Department of Agriculture's (DA) capacity for the provision of market-oriented services, thus increase agricultural competitiveness, and rural incomes. Five components reflecting key gaps in DA's operations would be supported as described below: 1) Support for Market Development Services; 2) Market Development Investments; 3) Strengthening Safety and Quality Assurance Systems for Market Development 4) Market-linked Technology Development and Dissemination; and 5) Enhancing Budget Resource Allocation and Planning. Components will support market development services, and collaboration in market promotion, trade fairs, etc., with the private sector. Further support shall strengthen the core functions of the DA and Government agencies concerning agricultural statistics, information technology for agriculture and fisheries, and agricultural training. Initially, it would be implemented in the four Focus Areas supported by the project, complemented with community-based information dissemination systems available to various types of farmers/growers and the general community. The safety and quality assurance systems for market development will be achieved by strengthening the implementation capacity of the DA's regulatory services, as well as institutional strengthening, and, coordinating with other regulatory agencies to complete a review and action plan, aimed at rationalizing the technical, physical and financial needs for the strengthening, operation and maintenance of laboratories needed to service the DA's overall regulatory system. Furthermore, seeds and horticultural planting material will be

supported through the expansion of scion groves to propagate vegetal species, while training and facilitation should significantly expand accredited private sector, operated seed farms, and nurseries. Market-linked technology development and dissemination is designed to leverage a change, by modifying and strengthening implementation of the DA's competitive research grants scheme, and, through partner-LGUs, information training provision will be available also to farmers not affiliated to organized growers/farmers groups. Such participation to, and adoption of training shall enable the DA in assessing the extent of training reach, and success. Technical assistance will be provided to help implement Intellectual Property Rights provisions, to promote better dissemination of technology, and greater private sector involvement, as certification of improved seed and vegetative products evolve. Finally, improvement of public expenditure management will focus on public resource allocation, and utilization, which includes better linkages between planning and budgeting. The second component would strengthen regulatory functions, relating to the effectiveness and efficiency of export and import clearances to improve product safety and quality, reduce transaction costs and minimize product rejections and detentions due to contaminants that undermine export market development. A key thrust of the project would be strengthening implementation capacity of DA's regulatory services, particularly in ensuring that international standards for safety and quality are met. Under the streamlining of quarantine and inspection processes sub-component, the project would support activities and development facilities designed to reduce the time and cost of obtaining import and export clearances, while effectively reducing the country's exposure to potentially harmful plant, fish and animal pests, diseases and genetic risks. The primary focus of the support for the Quarantine Services, would be to help to streamline processes and improve effectiveness, with a view to facilitating sound private sector business practices needed to strengthen competitiveness of Philippine agricultural, fishery and meat products on export markets. Reform of the quarantine and sanitary and phytosanitary service, including upgrading of training and facility infrastructure and Capacity strengthening for the Department of Agriculture's Agribusiness and Marketing Assistance Service in promoting market linkages and trade. Strengthening of agricultural production and marketing statistics collection, analysis, and dissemination and Improvements in the enforcement system for food and animal safety, and bio-safety regulations. The size of the agricultural safety component funded by the World Bank is \$15 millions.

### Gambia Gateway Project 2002 – 2006

The Gambia Gateway Project intends to enable The Gambia to establish itself as a globally competitive export and processing center. The project is a key component of the Government's strategy for achieving broad-based, export-oriented, and sustained growth. The project will be implemented in two phases --this being the first phase--using an Adaptable Program Lending (APL) instrument. There are five components. The first establishes the physical infrastructure needed for an operational Free Zone at the airport. It includes common users facilities and utilities and consulting services for supervising works.

The second component US\$5.10 million establishes the Investment Promotion and Free Zone Agency (GIPFZA) as a self-sustaining entity that manages the free zones and promotes trade and investment. It includes operational support, technical assistance, and consulting services.

The Project will also finance \$0.9 million in studies related to GIPFZA's missions. Quality management systems audit at the Customs & Excise Department. Using quality management systems principals, the audit will focus on establishing the Customs & Excise Department's (CED) role as a trade facilitator, and propose changes in regulations, operational procedures, and human resources to achieve the CED's revised role. The QMS principles are internationally accepted and can be certified using International Standards Organization certification procedures (ISO 9000).

The first step in accomplishing this will be implementing a management audit based on the principles of Quality Management Systems (QMS). The QMS principles are internationally accepted and can be certified using International Standards Organization certification procedures (ISO 9000). By implementing the QMS audit recommendations at the Customs and Excise Department, and eventually obtaining certification, The Gambia will reassure potential investors of the viability of doing business in the country.

Technical assistance will also provide on-the-job training for future Zone operators, and will target skills for effectively competing in the international market place. These would include quality management and control processes, ISO certification concepts, and information management about US and European markets' access regulations for products originating from the ACP countries.

The third component provides technical assistance for the Gambia Divestiture Agency.

The fourth component US\$1.23 million finances training activities for both the public and private sectors directly involved in investment and Free Zone-related businesses. Training includes quality management and control processes, the ISO certification concept, and information about US and European markets' access regulations for products originating from ACP countries.

The fifth component funds for overall project management and environmental studies and mitigation measures.

## Business Environment Reform & Institutional Strengthening in former Yugoslav Republic of Macedonia to be proposed in 2005

The proposed operation will support the Government of Macedonia in implementing a coherent agenda for regulatory reforms through the following components:

- (i) Improvement to business entry and operations (estimated US\$ 4.0 million);
- (ii) Strengthening of enterprise sector's competitiveness and enhancing market competition (estimated US\$ 2.5 million + potential 3.0 million for testing facilities);

This component would finance:

- (a) strengthening of the Metrology, Standardization, Testing, Quality Accreditation (MSTQ) system to bring it closer to EU standards, according to the results of the review of the regulatory and institutional framework for the MSTQ system that will be carried out during project preparation. Under co-financing arrangements, the component might also support the upgrading of few selected testing laboratories/centers on a pilot basis;
  - (b) strengthening of the regulatory and enforcement capacity of the anti-trust authority; and
  - (c) strengthening of the Macedonian Bank for Development and Promotion (MBDP) capacity to provide a wider range of contingent liability products along the lines jointly recommended by the Bank and the IMF.
- (iii) Improvement to access to financial/commercial information (estimated US\$ 0.5 million).

The project's expected outcomes are:

- more efficient and transparent business registration, licensing and inspections, and improved access of domestic/foreign entities to information required to start and operate a business in Macedonia;
- reduced corruption and arbitrary decision making by increasing accountability of the Government institutions and transparency of processes and procedures;
- strengthened Government capacity for carrying forward the business environment reform agenda through the application of regulatory impact analysis and good governance principles;
- strengthened architecture to enhance the quality of Macedonian products and services for the domestic and foreign markets, and improved market access of domestic products;
- improved access of domestic/foreign entities to financial/commercial information on businesses.

Key project beneficiaries would be domestic and foreign enterprises (in their capacities as investors, market competitors, commercial partners, lenders, and borrowers) and final consumers.

The proposed project would assist the government in enhancing the quality of Macedonian products, increasing competitiveness of the export sector, and enabling healthy competition by:

- Upgrading the framework for the MSTQ system of FYR Macedonia, and ensuring its compliance with EU standards and legislation as to increase the competitiveness of the Macedonian products in the EU markets, and foster export development;
- Strengthening the legal and regulatory framework for competition and the institutional capacity of the anti-trust authority as to ensure an enforcement practice that fully follows the principles and the standards under the *acquis communautaire*, and to enhance the quality and variety of goods placed in the market and promote fair prices for consumers.

## Productivity Enhancement and Export Promotion in the Islamic Republic of Iran to be proposed in 2005

The proposed project has two components: a) Improvement of production and processing systems. Through this component, the project would finance client-oriented adaptive research and advisory services linked to market opportunities and provide direct support to producers organizations. In particular, the project would assist producers and agricultural processors in testing, developing and adopting appropriate technologies for identified market opportunities. It would also strengthen service providers and encourage the creation of farm organizations by giving producers access to organizational, managerial and legal advice and information. b) Exports promotion. Under this component, the project would contribute to: (i) the enhancement of the national policy and regulatory framework leading to an enabling environment for producers, agribusiness companies, and exporters to take full advantage of market opportunities; (ii) the establishment of a market information system for all participants in the value chain; (iii) the promotion of generic and specific product quality through respectively, support to all participants in the market chain to comply with food safety requirements and assistance to local producers and exporters to gain product-specific premium price as well as protect their share of the market; (iv) the creation and/or strengthening of trade and commodity chain associations; (v) the promotion of joint ventures between foreign businesses, local exporters and producers; and (v) the improvement of export facilities including cold storage and other infrastructure and equipment.