FIRST PROGRESS REPORT  
(1 JANUARY 2011 - 30 JUNE 2011)

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>SPS Capacity Building in Africa to Mitigate the Harmful Effects of Pesticide Residues in Cocoa and to maintain Market Access (STDF/PG/298)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXECUTING AGENCY</td>
<td>Fonds Interprofessionnel pour la Recherche et le Conseil Agricole (FIRCA)</td>
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</tbody>
</table>

The main objective of the project is to maintain market access for cocoa beans from Africa through capacity building in SPS, in order to produce good quality cocoa that complies with the relevant international regulations and legislation on pesticide residues and other harmful substances.

The specific objectives of the project are:

1. To collect information on Sanitary and Phyto-Sanitary (SPS) standards and other relevant issues and to ensure that it is available to all stakeholders along the cocoa supply chain (via websites, workshops, publications, etc.);

2. To take any necessary action to ensure that the relevant stakeholders (farmers, cooperatives, middlemen, warehouse managers and other agencies) use recommended procedures and practices such as Good Agricultural Practices (GAP) and Good Warehouse Practices (GWP), both along the cocoa supply chain and in the supply of inputs such as pesticides. Emphasis will initially be placed on issues related to: (a) pesticide availability (in stores, cross-border movement, abatement of illegal products, etc.), quality, user-selection and application, (b) drying methods for cocoa beans.

3. To create/strengthen national laboratories (equipment, training, accreditation, etc.) for analyses and monitoring of pesticide residues and other harmful substances.

4. To raise awareness of farmers, middlemen and warehouse managers on suitable and unsuitable pesticides and their application (addressing concerns about cost effectiveness).

5. To strengthen intra- and inter-country capacity and expertise to adequate advice on SPS issues that might arise, thus reducing potential disruption to trade from non-compliance.

| PROJECT START DATE | January 2011 | PROJECT END DATE | December 2012 |
GENERAL REPORTING

A. BROAD PROGRESS ACHIEVED TO DATE:

A pre-project launch meeting was held in Ghana from 19 – 21 January 2011 where the European-Africa-Caribbean Liaison Committee (EDES/COLEACP), CropLife Africa and UNIDO confirmed their participation in the project and agreed to provide co-financing in kind amounting to about US$3,098,000. This brings the estimated total cost of the project to US$6,264,109.

The project was officially launched at a regional workshop held from 7 – 10 June 2011 in Yaounde, Cameroon. The workshop raised awareness on international SPS standards and regulations applied by the cocoa importing countries and their impact on cocoa trade with producing countries. The workshop also reviewed the constraints faced by the stakeholders along the cocoa supply chain in meeting international SPS requirements and measures to address them in the countries that are participating in the project. About 200 participants from Cameroon, Côte d’Ivoire, DR Congo, Ghana, Nigeria, Togo, Senegal, Germany, Australia, Belgium, United Kingdom, Switzerland and Trinidad and Tobago attended the workshop.

Project implementation has commenced in Cameroon, Côte d’Ivoire, Ghana, Nigeria and Togo. In all the participating countries, National Project Steering Committees have been set up and inaugurated.

A dedicated website (www.icco.org/sps) for the project has been developed and it is now in operation.
B. **ACTIVITIES IMPLEMENTED DURING THE REPORTING PERIOD:**

- National structures for project implementation have been instituted in all the participating countries. A Regional Project Coordinator has been appointed by the Project Executing Agency (PEA). A Project Steering Committee (PSC) has been established. Membership of the PSC is comprised of representatives from the ICCO, STDF, EDES/COLEACP, UNIDO and CropLife as well as the five National Coordinators, the Regional coordinator and the Project Consultant. National Project Steering Committee (NPSC) has been established and inaugurated in Cameroon, Côte d’Ivoire, Ghana, Nigeria and Togo. All the participating countries have opened a project account. Ghana has paid 60% of the counterpart contribution in cash into the project account. Cameroon, Côte d’Ivoire, Nigeria and Togo are in the process of fulfilling this commitment.

- A website for the project has been established (cf. Annex). The web address is www.icco.org/sps.

- The Project Consultant and the Regional Workshop have initiated work to collate all necessary information on pesticide efficacy. This information will be disseminated to the public in the coming months.

- In January 2011, the ICCO Secretariat organized an International Workshop on the Safe use of Pesticides in Cocoa and harmonized Legislations for Food safety. The workshop was held in Kuala Lumpur, Malaysia from 25 – 27 January 2011. The workshop adopted seventeen recommendations on four focus areas including legislation on food safety and analytical methods, safe use of pesticides, alternatives to pesticides, and perspectives on pesticide legislation from key stakeholders.

- In March 2011, as project partner, CropLife Africa launched a pilot project in Ghana on “Protecting Cocoa Smallholder Farmers in Ghana from counterfeit and Illegal Pesticides”.

- A regional workshop was held from 7 -10 June 2011 in Yaounde, Cameroon, to officially launch the project and to raise awareness on international SPS standards and regulations and their impact on cocoa trade.

- Preparations are being completed to organize national workshops in each participating country to raise awareness on SPS standards and to train stakeholders on SPS requirements. In particular, national workshops will be organized in Ghana and Togo in September 2011.

C. **ACTIVITIES REMAINING FOR NEXT PERIOD AND BEYOND:**

Continue to create awareness among all the stakeholders along the cocoa supply chain about SPS standards in cocoa production and trade.

Enhance the capacity of cocoa farmers and trader to apply the concept of Responsible Use (RU) of pesticides through the application of Good Agricultural Practices (GAP) and Good Warehouse Practices (GWP). This activity will be carried out through Training of Trainers (ToT) and Farmers’ Field Schools (FFS).
Enhance the institutional capacity in each participating country to monitor and enforce adherence to SPS standards in cocoa through formulation of relevant domestic regulations and legislatives as well as enhancing the capacity of national laboratories to conduct SPS tests and analyses.

Strengthen regional collaboration and cooperation to control and eradicate illegal and adulterated pesticide products.

D. OTHER COMMENTS:

The project started on 1 January 2011. However, delays in securing the required co-financing for the project and putting in place the necessary project implementation structure in each participating country have resulted in the project to be behind in its implementation schedule for some activities.
## Deliverable / Targets Table (*Log-frame*) for activities scheduled to start during 1 January to 30 June 2011

<table>
<thead>
<tr>
<th>Item ID</th>
<th>Activity No.</th>
<th>Item Description</th>
<th>Target Finish Date</th>
<th>Actual or Forecast Finish Date</th>
<th>Status: (% Complete)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Activity 1.0</td>
<td>Contract signed</td>
<td></td>
<td></td>
<td>100%</td>
<td>Completed</td>
</tr>
<tr>
<td>2</td>
<td>Activity 1.1</td>
<td>A website network will be established within the first two months of the project, initially using the ICCO website as a hub. The various components of this Programme will be described via links to technical and National pages (thus enabling information to be disseminated in French and English). Both the hub and links will be “dynamic” and regularly updated throughout the course of the project.</td>
<td>February 2011</td>
<td>June 2011</td>
<td>100%</td>
<td>The website will be updated throughout the duration of the project and afterwards</td>
</tr>
<tr>
<td>3</td>
<td>Activity 1.2</td>
<td>One regional workshop will take place in order to launch the project and to raise the major SPS issues among key authorities. These will be followed by a series of national events (2 in each participating country).</td>
<td>July 2012</td>
<td>July 2012</td>
<td>100%</td>
<td>The regional workshop was held in June 2011. The national events are planned to be held in Sep – Oct 2011 and Jun – Jul 2012.</td>
</tr>
<tr>
<td>4</td>
<td>Activity 1.3</td>
<td>Publications will place information on pesticide efficacy and risks into the public domain, via relevant scientific papers, posters, flyers, etc. throughout the duration of the project. Press reports will be made available for radio &amp; TV (National and rural) and newspapers; other means of communication will involve: local events via farmers’ organisations, extension workers, etc and mobile cinema vans</td>
<td>April 2011</td>
<td>June 2012</td>
<td>15%</td>
<td>This activity is continuous throughout the duration of the project</td>
</tr>
<tr>
<td>5</td>
<td>Activity 2.1</td>
<td>Raise awareness among farmer organizations about the importance of pesticide selection and application, and drying of cocoa beans</td>
<td>December 2012</td>
<td>December 2012</td>
<td>0%</td>
<td>Not started</td>
</tr>
<tr>
<td>6</td>
<td>Activity 2.2</td>
<td>Dissemination of and, where necessary, design of comprehensive, locally adapted training modules in SPS measures: specifically on pesticide selection, application and cocoa drying, for which existing training literature could be improved. This will be completed in the first half of the project and to be in place for the second cocoa growing season. Certain final alterations may be made in the light of feed-back from growers and trainers.</td>
<td>March 2012</td>
<td>March 2012</td>
<td>0%</td>
<td>Not started</td>
</tr>
<tr>
<td>Item ID</td>
<td>Activity No.</td>
<td>Item Description</td>
<td>Target Finish Date</td>
<td>Actual or Forecast Finish Date</td>
<td>Status: (% Complete)</td>
<td>Comments</td>
</tr>
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<td>7</td>
<td>Activity 3.1</td>
<td>ICCO will continue to assist in the formulation/updating of relevant domestic regulatory and legislative provisions on SPS standards, adapting them to international requirements. Two resources that will continue to be updated are (a) <em>Guidelines on Best Known Practices in the Cocoa Value Chain</em> and (b) <em>Manual on the Safe Use of Pesticides</em></td>
<td>December 2012</td>
<td>December 2012</td>
<td>100%(^1)</td>
<td>The ICCO Secretariat organized an “International Workshop on the Safe use of Pesticides in Cocoa and harmonized Legislations for Food Safety” from 25-27 January 2011 in Kuala Lumpur, Malaysia. The ICCO Secretariat continued to work with the cocoa industry to develop guidelines on best known practices in cocoa warehousing.</td>
</tr>
<tr>
<td>8</td>
<td>Activity 3.2</td>
<td>Formulate/update relevant domestic regulatory and legislative provisions on SPS standards and adapt them to international requirements</td>
<td>December 2012</td>
<td>December 2012</td>
<td>0%</td>
<td>Not started</td>
</tr>
<tr>
<td>9</td>
<td>Activity 3.3</td>
<td>Provide technical material and conduct workshops on raising awareness on cocoa SPS among custom officers, quarantine, immigration, plant protection officials, etc.</td>
<td>December 2011</td>
<td>December 2011</td>
<td>0%</td>
<td>Not started</td>
</tr>
<tr>
<td>10</td>
<td>Activity 4.1</td>
<td>Enhance harmonization and compliance with relevant regional and international SPS provisions</td>
<td>December 2011</td>
<td>December 2011</td>
<td>0%</td>
<td>Not started</td>
</tr>
<tr>
<td>11</td>
<td>Activity 4.4</td>
<td>Collaboration with key regionally-operating stakeholders (<em>e.g.</em> STCP and <em>CropLife</em>).</td>
<td>September 2012</td>
<td>December 2012</td>
<td>50%</td>
<td>CropLife Africa initiated a project in Ghana to combat counterfeit pesticides</td>
</tr>
<tr>
<td>12</td>
<td>Activity 6.7</td>
<td>Project inception report</td>
<td>January 2011</td>
<td>March 2011</td>
<td>100%</td>
<td>Completed</td>
</tr>
<tr>
<td>13</td>
<td>Project external evaluation</td>
<td></td>
<td>December 2012</td>
<td>December 2012</td>
<td>0%</td>
<td>Not started</td>
</tr>
</tbody>
</table>

\(^{1}\) The percentages refer to the proportion of completion of each activity compared to the planned work to be carried out during the review period.
**Target.** The following information is not required if a target has been met and the information has been provided in a previous project report. If a target has not been achieved or is likely to be delayed, provide:

A) Likely impact on the project.
B) Reason for delay.
C) Corrective action planned to be taken, if any.

<table>
<thead>
<tr>
<th>Item ID</th>
<th>Activity No.</th>
<th>Target Delay Notes.</th>
</tr>
</thead>
</table>
| 4       | Activity 1.3 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
| 5       | Activity 2.1 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
| 6       | Activity 2.2 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
| 8       | Activity 3.2 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
| 9       | Activity 3.3 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
| 10      | Activity 4.1 | A) No impact  
B) Delays in securing all necessary funding for the project  
C) No action. It is envisaged to complete the activity as scheduled |
Annex
Project website: www.icco.org/sps

Workshops and Seminars

Workshop On SPS Capacity Building in Africa to Mitigate the Harmful Effects of Pesticide Residues in Cocoa and to Maintain Market Access
7 - 10 June 2011, Yaoundé, Cameroon

Full report of this Workshop will appear here shortly.

Presentations:
- Stewardship and Responsible Use of Pesticides (Dr. Yao, Crepulfe)
- Outils pour l’Application des normes et le développement du commerce (FANDIC) (Dr. Kamba Le Manam, ETPA)
- The Agreement on the Application of Sanitary and Phytosanitary Measures (the “SPS Agreement”) prepared by the World Trade Organization for the ICCO.

The Note concerns the Agreement on the Application of Sanitary and Phytosanitary Measures (the “SPS Agreement”), which entered into force with the establishment of the World Trade Organization on 1 January 1995.

The SPS Agreement provides a framework and a set of principles to outline the means by which a country can ensure that its consumers are supplied with food that is safe to eat, while preventing the strict health and safety regulations concerned from becoming an excuse to protect domestic producers against importers.

The Note provides a comprehensive, concise and clear overview of the content of the SPS Agreement.