

ASIAN DEVELOPMENT BANK

TAR:PRC 37599

TECHNICAL ASSISTANCE
(Financed by the Japan Special Fund)

TO THE

PEOPLE'S REPUBLIC OF CHINA

FOR THE

NATIONAL FOOD SAFETY REGULATORY AND STRATEGIC FRAMEWORK

May 2004

CURRENCY EQUIVALENTS

(as of 26 May 2004)

| | | |
|---------------|---|------------|
| Currency Unit | – | yuan (CNY) |
| CNY1.00 | = | \$0.121 |
| \$1.00 | = | CNY8.2816 |

ABBREVIATIONS

| | | |
|-------|---|--|
| ADB | – | Asian Development Bank |
| AQSIQ | – | State Administration for Quality Supervision, Inspection, and Quarantine |
| DFSC | – | Department of Food Safety Coordination |
| DRC | – | Development Research Center of the State Council |
| MOA | – | Ministry of Agriculture |
| MOH | – | Ministry of Health |
| NPC | – | National People's Congress |
| PRC | – | People's Republic of China |
| SDA | – | State Drug Administration |
| SFDA | – | State Food and Drug Administration |
| TA | – | technical assistance |
| WHO | – | World Health Organization |

NOTES

- (i) The fiscal year (FY) of the Government coincides with the calendar year.
- (ii) In this report, "\$" refers to US dollars.

This report was prepared by C. Spohr, project economist/team leader, and T. Yasukawa, health specialist.

I. INTRODUCTION

1. During the Asian Development Bank (ADB) country programming mission to the People's Republic of China (PRC) in July 2003, the Government of the PRC requested advisory technical assistance (TA) to support advancement of national food safety. It was subsequently agreed in discussions with the Government that the TA should assist the State Food and Drug Administration (SFDA)—reconstituted in March 2003 from the State Drug Administration. The TA will assist SFDA with the addition of food safety under its purview, in formulating and proposing policy and regulatory changes, broad strategies, and plans for implementation. This support will be critical to help SFDA carry out its mandate of providing comprehensive supervision, interagency coordination, and execution of key national food safety work.

2. During the Fact-finding Mission on 1-10 March 2004, discussions with representatives from SFDA and other relevant national and international organizations confirmed the timeliness of ADB TA to strengthen overall food safety strategy and regulatory bases, as well as management coordination, planning, and implementation mechanisms and capacities. Understandings were reached with the Government on the TA's goal, objective, scope, implementation arrangements, cost and financing, and outline consultant terms of reference.¹ The TA framework is in Appendix 1.

II. ISSUES

3. Sustained social and economic development in the PRC have brought rapid shifts in dietary patterns of the population along with improving overall nutrition status. Agriculture and food production, processing, and service industries have also changed, with advances in domestic and export-oriented subsectors. At the same time, persistent challenges remain, while both demand- and supply-side shifts pose new challenges for policy, regulation and enforcement, and food safety assurance systems.

4. Existing challenges for national food safety in the PRC have far-reaching implications. Unsafe food remains a serious threat to public health. Weaknesses in monitoring and classification systems for food-related illness and food poisoning preclude accurate estimation, but it is clear that these impose a substantial burden:² recent events, such as the food-related outbreak of Hepatitis A in the PRC in 1988 (with over 310,000 cases), the outbreak of avian influenza in early 2004, and the poisoning of roughly 200 infants from tainted powdered milk in April 2004 are among the most publicized examples. Food-borne diseases impose sizeable costs to society in terms of health expenditures and lost productivity. The poor are most vulnerable to such costs, moreover, unsafe and low quality food exert a longer-term impact by compounding child malnutrition (including via diarrheal illness), thereby depressing physical and cognitive development. Additionally, particularly after the PRC's entry into the World Trade Organization, there is an urgent need to bring PRC's food safety capacities and practices in line with protocols linked to the international benchmark Codex Alimentarius food standards. Trade barriers depress demand for the PRC's agricultural products and thus particularly affect its rural economy. Finally, it is imperative to (i) rationalize food safety policies and eliminate gaps and areas of overlap in regulations, standards, and food safety control systems and mechanisms; and (ii) improve coordination, as food safety management roles and implementation are often highly fractured across agencies and administrative levels.

¹ The TA first appeared in *ADB Business Opportunities* (Internet edition) on 19 February 2004.

² Data from industrialized countries show an upward trend in salmonellosis and other food-borne diseases; unsafe food is a key cause of diarrhea, shigellosis, cholera, and other diseases in developing countries.

5. Recognizing the need to address these challenges, the Government places high priority on improving national food safety, including prerequisite institutional strengthening. This is reflected in heightened food safety efforts within line ministries and other agencies responsible for key links in the food safety chain, most notably the (i) Ministry of Agriculture, charged with drafting and enforcing regulations on food safety on-farm and in slaughtering processes; (ii) Ministry of Health, responsible for food-borne disease-related issues and food safety policy and food control in the domestic market; and (iii) State Administration for Quality Supervision, Inspection, and Quarantine, tasked with issues related to export and import, and ensuring food safety during the production stage. The Government has also taken steps to enhance coordination, including the PRC State Council's convening of a series of ad hoc multi-agency meetings starting in late 2001 to promote dialogue on national food safety. Subsequently, in 2003, the Tenth National People's Congress authorized the establishment of SFDA as a central coordinating agency for food safety issues, reporting directly to the State Council. The Government has called for proposals from SFDA and other national agencies, and sought advice from the World Health Organization (WHO) and other external partners on (i) reforms needed to strengthen and better integrate related legislation,³ eliminate gaps and mutual inconsistencies, and enhance enforcement; and (ii) enhanced mechanisms to educate the food industry (ranging from agricultural producers to food handlers) and consumers on food safety issues.

6. Food safety and quality are likely to attract increased Government and public attention in the wake of the recent outbreak of avian influenza. More broadly, the March 2004 session of the Tenth National People's Congress has placed a greater emphasis on social development, as reflected in ADB-Government dialogue. The TA also links to and builds on ADB's ongoing support in the area of public nutrition.⁴ Fact-finding discussions confirmed strong interest among key international organizations in maintaining dialogue during the TA, to ensure complementarity in efforts to support food safety in the PRC.

III. THE TECHNICAL ASSISTANCE

A. Purpose and Outputs

7. The goal of the TA is to protect public health and promote economic development in the PRC through the implementation of a coordinated, comprehensive, science-based, and sustainable national system covering food safety at all stages of the cycle from primary production to consumption. The objective of the TA is to formulate and build consensus on a comprehensive framework covering food safety policies, laws and regulations, and standards, as well as cross-agency coordination to ensure their effective implementation. Specifically, based on dialogue among all key responsible agencies, international models and lessons learned, and thorough analysis of the current food safety context in the PRC, the TA will:

- (i) develop viable recommendations for (a) legislative revisions to address key flaws identified in existing policies, laws and regulations, and standards; and (b) establish a clearer articulation of roles across key agencies and improved mechanisms for interagency coordination;

³ Relevant existing legislation includes the Food Sanitation Law, the Product Quality Law, the Agriculture Law, and ordinances on animal epidemic prevention, pesticide supervision, and genetically modified foods.

⁴ Following the PRC's participation in three regional TAs on nutrition, ADB is assisting PRC, in close collaboration with the United Nations Children's Fund. ADB. 2002. *Technical Assistance to the People's Republic of China for Strengthening National Public Nutrition Planning*. Manila.

- (ii) formulate a unified food safety strategy framework⁵ for improving (a) supervision and inspection; (b) certification; (c) food safety assurance, including risk analysis and hazard analysis control; (d) information collection and management and emergency response; and (e) education and advocacy for the Government, industry, and the general public, including improved mechanisms for public participation; and
- (iii) identify priority improvements in technical capacities needed in these areas, and conduct focused capacity building within SFDA and partner agencies.

8. To achieve these objectives, TA outputs will include the following three studies:

- (i) a preparatory study (a) outlining the current situation and institutional context of food safety in the PRC, and (b) reviewing and analyzing comparative international experience under a range of national food safety models; and a summary report that will be circulated to stakeholders, and will serve as an input to subsequent cross-agency discussion and research under the TA;
- (ii) a published report outlining a comprehensive national food safety regulatory and strategic framework for strengthening legislative and policy foundations and guiding coordinated implementation by relevant agencies; this will be formulated in consultation with Government decision-makers, key international partners, and representatives of industry and consumer groups, and broadly circulated to these stakeholders; and
- (iii) a report submitted to the State Council providing focused recommendations to improve resourcing for food safety (in terms of both levels and allocative efficiency) and strengthen technical capacities, to implement key elements of the Framework.

9. The TA's fourth deliverable will be strengthened analytical skills and a focused set of essential capacities built among key staff of SFDA and relevant agencies, based on identified needs.

B. Methodology and Key Activities

10. Under the TA's research and analytical studies component, consultants will work with SFDA to conduct research leading to the three main studies noted above. This work will build on research by the Development Research Center of the State Council and other relevant analysis, and will involve close dialogue with other organizations. Following drafting of the preparatory study report on legislative and institutional aspects, research for the more major second report and framework will include a broad gap analysis to identify key challenges obstructing adoption of science-based approaches, including the hazard analysis and critical control points system. The framework will also include strategies for (i) public education, to protect consumers, and create demand-side forces behind food safety improvement; and (ii) related advocacy and capacity building for the PRC food industry. Based on this work, the supplementary report will be finalized after joint review by relevant agencies, then submitted to the State Council. The three studies are sequential in terms of both logical ordering (each building on the foundation of cumulative work) and increasing ownership by SFDA and its partners. Preparation of the studies will emphasize dialogue across relevant organizations, since collaboration and information sharing will be vital to building consensus and ensuring the viability of final recommendations.

11. The studies will feed into and complement the development and implementation of a targeted capacity-building program tailored to address priority identified needs within SFDA and

⁵ This will focus on achieving gains in the medium-term (5-10 years).

related agencies. Subject to adjustment at the midterm review, this will include in-country training activities targeting roughly 50 key central and provincial officials and a small international study tour for 4 officials.

12. Workshops and seminars will be linked to research—supporting information sharing, consensus-building, and refinement of draft research outputs—and capacity building, facilitated by the consultants along with supplementary resource persons where other specific expertise is needed. This dialogue will be critical to mitigating the potential risks of (i) weak information sharing, (ii) poor coordination of national and internationally assisted efforts, and (iii) interagency disagreement on directions and respective roles. Consultation of food industry representatives and dissemination of key findings to the public will help encourage producers and other segments of the food industry to assume lead responsibility for food safety in the longer term.

C. Cost and Financing

13. The total cost of the TA is estimated at \$515,000 equivalent, of which \$215,000 is the foreign exchange cost and \$300,000 equivalent is the local currency cost. The Government has requested that ADB finance \$400,000 equivalent, covering the entire foreign exchange cost and \$185,000 equivalent of the local currency cost. The TA will be financed on a grant basis by the Japan Special Fund, funded by the Government of Japan. The Government will finance the balance of the local currency cost, equivalent to \$115,000, through the provision of office accommodation and venues for training and meetings, counterpart staff and allowances, miscellaneous administration expenses, and support for capacity building. Detailed cost estimates and the financing plan are in Appendix 2.

D. Implementation Arrangements

14. The TA will be implemented from June 2004 to August 2005. SFDA will be the TA Executing Agency, with the Department of Food Safety Coordination (DFSC) overseeing day-to-day implementation. This will include organization of workshops (including proposal of qualified resource persons) and other activities, subject to agreement by ADB. To ensure timely provision of related goods and services, an advance payment facility will be established, in accordance with ADB's *Guidelines for Disbursement of Technical Assistance Grants*, and subject to terms laid out in the letter establishing the facility.

15. A coordinating group will be established to facilitate interagency coordination and provide guidance on TA implementation, and to help ensure the accuracy and relevance of TA findings while building broad support across key agencies for final recommendations on policy and strategy and their actualization. The group will be chaired by the director-general of DFSC, and will (tentatively) consist of representatives of SFDA, Ministry of Health, Ministry of Agriculture, State Administration for Quality Supervision, Inspection, and Quarantine, Ministry of Finance, Ministry of Science and Technology, and Development Research Center of the State Council.⁶ Dialogue on strategic and technical issues will also be facilitated through workshops, seminars, and informal meetings. Broad stakeholder ownership of the process is vital to ensuring that the TA promotes SFDA's ability to deliver on its mandate to provide overarching coordination on food safety issues and responses, while dialogue with international organizations involved in the PRC's food safety efforts will help to ensure consistency and complementarity across related efforts.

⁶ Group constituency and structure will be finalized during the inception mission.

16. ADB will directly select the WHO Western Pacific Regional Office to mobilize needed consultant services, with direct support and supervision to be provided by the WHO office in the PRC. The engagement of WHO will follow *ADB Guidelines on Use of Consultants*. A team of consultants will provide expert inputs, including research and analysis, policy and institutional advice, and a needs-tailored capacity building program for SFDA and related agencies. An international expert on national food safety strategy and systems (6 person-months) will provide oversight to four domestic consultants (totaling 18 person-months) covering (i) food safety policy, statutes, and standards; (ii) food safety administration and enforcement; (iii) food safety surveillance and inspection; and (iv) food production chain analysis. Outline terms of reference for the consultant team are in Appendix 3. ADB may consider recruiting supplementary, short-term domestic consultants if needed to provide focused expert inputs, following ADB procedures for the selection and engagement of consultants.

17. WHO, which has recently conducted in-depth situation analysis on food safety in the PRC, is uniquely qualified for this role in view of its (i) sustained relationship with SFDA and its predecessor; (ii) strong on-the-ground presence in the PRC and linkages with other key agencies covering various facets of food safety (further strengthened by avian influenza response efforts), as well as the international community;⁷ and (iii) specialized technical expertise spanning food safety fields and unique ability to draw on models from a wide range of countries. WHO's specialized expertise will be key in addressing sensitive issues of inter-agency role delineation under the TA, and will ensure that TA findings enter directly into high-level national policy dialogue. This partnership will also build on successful ADB-WHO collaboration under related TA in Viet Nam⁸ and partnership in efforts to combat severe acute respiratory syndrome in the PRC⁹ and other parts of Asia,¹⁰ and WHO has indicated it will seek to leverage additional resources for follow-on support on food safety in the PRC.

18. The final draft of the supplementary report will be submitted to the State Council. Study reports will be produced in English and Chinese, and distributed widely to key stakeholders to maximize their impact.

IV. THE PRESIDENTS DECISION

19. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$400,000 to the Government of the People's Republic of China to be financed on a grant basis by Japan Special Fund for the National Food Safety Regulatory and Strategic Framework, and hereby reports this action to the Board.

⁷ This includes dialogue with bilateral agencies, and WHO has already agreed on common principals for addressing PRC food safety with the United Nations Food and Agriculture Organization, United Nations Industrial Development Organization, and World Bank.

⁸ WHO provided consultancy inputs under TA 3483-VIE: Capacity Building for Prevention of Food Borne Diseases (approved in August 2000 in the amount of \$500,000 equivalent; JSF-funded).

⁹ ADB. 2003. *Technical Assistance to the People's Republic of China for Combating Severe Acute Respiratory Syndrome in the Western Region*. Manila.

¹⁰ ADB. 2003. *Technical Assistance for Emergency Regional Support to Address the Outbreak of Severe Acute Respiratory Syndrome (SARS)*. Manila.


TECHNICAL ASSISTANCE FRAMEWORK

| Design Summary | Performance Indicators/Targets | Monitoring Mechanisms | Assumptions and Risks |
|--|---|---|--|
| <p>Goal</p> <p>Protect public health and promote economic development in the People's Republic China (PRC) through the implementation of a coordinated, comprehensive, science-based, and sustainable national system covering food safety at all stages of the cycle, from primary production to consumption.</p> | <ul style="list-style-type: none"> • Policies and national and local action plans coherent, rationalized, and backed by financial and human resources and enforcement mechanisms. • Expanded domestic consumer access to quality, safe foods, and increased food exports. • Improved surveillance shows decreased food contamination at all stages (e.g., farm, processing, distribution, and handling) and lower incidence of acute and chronic foodborne illness. | <ul style="list-style-type: none"> • Passage of legislation, plan announcement, and data on programs and public investment. • Data on domestic and international commerce; consumer behavior reflects awareness. • Ministry of Health (MOH) and China Center for Disease Control (CDC) data on foodborne illness (with improved reporting). | |
| <p>Purpose</p> <p>Formulate and build consensus on a comprehensive framework for food safety policies, laws and regulations, standards, and cross-agency coordination for implementation:</p> <ul style="list-style-type: none"> • identify gaps and propose improvements in (i) policies, laws, regulations, and standards; and (ii) articulation of roles across key agencies and enhanced coordination; • formulate a unified food safety strategy framework for improving (i) supervision and inspection; (ii) certification; (iii) food safety assurance, including risk analysis and hazard analysis control; (iv) information collection and | <p>Intra-agency consultation and analysis of international models and experience relevant to the PRC context yield viable and integrated recommendations to address existing overlaps, conflicts, and gaps in existing food safety-related systems and institutions. Mechanisms in place and priority capacity-building areas identified to support a shift toward a "farm-to-table" approach to food safety. Existing communication channels evaluated, public education materials catalogued, and measures proposed to address key identified gaps.</p> | <p>Consultant quarterly progress reports; SFDA feedback.</p> <p>Periodic feedback from steering committee and technical advisory group comprised of representatives of key agencies; stakeholders engaged in dialogue via workshops and final high-level seminar; pre- and post-workshop papers.</p> <p>Consensus reflected in food safety-related work plans of relevant agencies.</p> | <p>Assumes maintained Government emphasis on food safety, with passage of necessary legislation and adequate resources allocated to implement the framework.</p> <p>Risks: (i) disagreement or inadequate capacity among some key agencies to adopt new roles; (ii) failure to maintain intra-agency information sharing and broad consensus on objectives and roles; (iii) resistance or weak capacity by producers and the food industry to assume lead responsibility for food safety; and (iv) breakdown in coordination with international partners</p> |

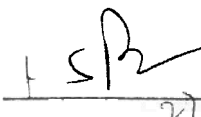
| Design Summary | Performance Indicators/Targets | Monitoring Mechanisms | Assumptions and Risks |
|---|---|---|---|
| <p>collection and management and emergency response; and (v) education and advocacy for the Government, industry, and the general public, including improved mechanisms for public participation; and</p> <ul style="list-style-type: none"> • identify priority improvements in technical capacities needed in these areas, and complete focused capacity building within State Food and Drug Administration (SFDA) and partner agencies. | | | and/or trade frictions. |
| <p>Outputs/Deliverables Component 1: Studies Analysis and dialogue reflected in 3 studies:</p> <ul style="list-style-type: none"> • Study 1: preparatory study on (i) status and institutional context of PRC food safety, and (ii) international comparison of food safety models and lessons learned; • Study 2: formal report on a comprehensive National Food Safety Regulatory and Strategic Framework, covering legislation, policy, foundations and coordinated implementation; • Study 3: supplementary report provides focused recommendations for resource allocation and building technical capacities needed to operationalize the framework. | <ul style="list-style-type: none"> • Draft of summary report, dovetailing with work by Development Research Center of the State Council, by September 2004; finalized and circulated to stakeholders after workshop review by October. • Draft report presented to workshop in December 2004; thorough interagency review in February 2005; final draft circulated to Government decision-makers and key international partners by June 2005. • Annotated outline reviewed in early February 2005; draft report finalized after joint review by key agencies, and submitted to the State Council by June 2005. | <p>The Asian Development Bank (ADB) and SFDA screen consultant proposal for studies and reports.</p> <ul style="list-style-type: none"> • Stakeholder feedback; consultant dialogue with national and international organizations; workshop review. • Review by ADB, SFDA, and workshop. • Consultants screen draft; review in workshop(s) and/or seminar(s); State Council widely distributes final report. | <p>Assumes solid collaboration between consultants, SFDA, and other agencies; new Government directions (e.g., emphasis on balanced social and economic development), responses to avian flu, etc. consistent with food safety efforts.</p> <p>Risks: (i) inadequate information access and sharing; (ii) poor coordination or duplication of national and internationally-assisted efforts; (iii) failure to reach inter-agency consensus on objectives and roles; and (iv) resistance by producers and the food industry to assume lead responsibility for food safety.</p> |

| Design Summary | Performance Indicators/Targets | Monitoring Mechanisms | Assumptions and Risks |
|--|---|--|---|
| <p>Component 2: Capacity Building Strengthened analytical skills and essential capacities among key staff of SFDA and relevant agencies.</p> | <p>Workshop(s) and other needs-tailored, in-country activities completed by mid-July 2005; international study visit(s) in November 2004 (details in next section).</p> | <p>Consultant proposal for workshop(s), study visit(s), and domestic site visits (if needed) submitted to SFDA and ADB.</p> | |
| <p>Activities/Inputs</p> <p>Component 1: Studies Consultants</p> <ul style="list-style-type: none"> • take lead responsibility for research and dialogue facilitation leading to the (i) preparatory study and (ii) framework; and • help SFDA draft recommendations on implementing key framework elements. <p>Workshops and seminars:</p> <ul style="list-style-type: none"> • formal workshops review draft study findings and achieve consensus behind recommendations; and • seminars to elicit broader expertise on specific subtopics. <p>Component 2: Capacity Building</p> <p>Consultants assess needs and support SFDA and partner agencies.</p> <p>Overseas study visit(s) on comparative national food safety models.</p> | <p>Total input: 6 person-months international; 18 person-months domestic, with some allowance for resource persons to supply specific expertise.</p> <p>Workshops (drawing on focused expertise from resource persons, as needed) advance technical and planning dialogue.</p> <p>Advice and support program tailored to identified needs. Pending assessment at midterm review:</p> <ul style="list-style-type: none"> • Roughly 50 key central and provincial officials participate; and • Visit(s) for 4 staff (possible expansion pending Government contribution) to relevant international organization(s) and up to 3 countries. | <p>Consultant quarterly progress reports; SFDA feedback.</p> <p>Consultant reports and workshop records; participant feedback.</p> <p>Consultants propose capacity-building programs to SFDA and ADB; consultant reports and participant feedback.</p> | <p>Assumes adequate consultant expertise, internal and external coordination, and smooth and timely implementation of inputs.</p> <p>Assumes active participation by all key relevant national and international stakeholders.</p> <p>Assumes sound selection criteria and measures to avoid brain drain of trainees.</p> |

Director, ECSS


 27.5.04

Director General, ECRD


 27.5.04

COST ESTIMATES AND FINANCING PLAN
(\$'000)

| Item | Foreign Exchange | Local Currency | Total Cost |
|--|---------------------|-------------------|---------------|
| A. Asian Development Bank Financing^a | | | |
| 1. Consultants | | | |
| a. Remuneration and Per Diem | | | |
| i. International Consultants | 118.9 | 0.0 | 118.9 |
| ii. Domestic Consultants | 0.0 | 75.2 | 75.2 |
| b. Travel | | | |
| i. International | 15.0 | 0.0 | 15.0 |
| ii. Domestic | 0.0 | 6.0 | 6.0 |
| c. Studies and Reports | 6.0 | 9.0 | 15.0 |
| 2. Equipment ^b | 7.5 | 3.0 | 10.5 |
| 3. Capacity Building | | | |
| a. International Study Visit(s) | 16.0 | 0.0 | 16.0 |
| b. In-Country Activities | 10.0 | 25.0 | 35.0 |
| 4. Other Workshops and Seminars ^c | 20.0 | 30.0 | 50.0 |
| 5. Miscellaneous Administration and Support Costs | 5.0 | 25.0 | 30.0 |
| 6. Contingencies | 16.6 | 11.8 | 28.4 |
| Subtotal (A) | 215.0 | 185.0 | 400.0 |
| B. Government Financing | | | |
| 1. Office Accommodation and Venues for Meetings and Training | 0.0 | 45.0 | 45.0 |
| 2. Counterpart Staff and Allowances | 0.0 | 40.0 | 40.0 |
| 3. Miscellaneous Administration and Support | 0.0 | 10.0 | 10.0 |
| 4. Capacity Building | 0.0 | 20.0 | 20.0 |
| Subtotal (B) | 0.0 | 115.0 | 115.0 |
| Total | 215.0 | 300.0 | 515.0 |

^a Financed by the Japan Special Fund, funded by the Government of Japan.

^b Includes two computers (one with CD-burner or similar mass storage), one LCD projector, one printer, one scanner, and stock of consumable supplies.

^c SFDA will submit detailed costed proposals including venues, resource persons, and other costs.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Implementation of Asian Development Bank (ADB) technical assistance (TA) to the People's Republic of China (PRC) for National Food Safety Regulatory and Strategic Framework will require the services of a consultant team.¹ The team will be mobilized and coordinated by the World Health Organization (WHO). The team will consist of 1 international and 4 domestic consultants, subject to adjustment as may be agreed by ADB. The consultants will be responsible for carrying out the duties outlined in the following paragraphs, as well as any specific tasks that may be reasonably requested by the ADB, in dialogue with the State Food and Drug Administration (SFDA, the TA Executing Agency). Work will be based on a thorough review of institutional aspects of food safety in the PRC and existing and planned policies and initiatives, as well as continued dialogue with relevant national and international to avoid duplication and ensure consistency and complementarity across efforts.² Background study will also assess key obstacles to adoption of science-based approaches (e.g., the Hazard Analysis and Critical Control Points system), and systematic gaps vis-à-vis international standards and practices.

2. In addition to providing ongoing guidance to SFDA as needed, the consultants will work closely with SFDA in carrying out the three major studies. The consultants will (i) take the lead role in identifying gaps and areas of overlap in the PRC, and proposing solutions in view of international models and experience; (ii) provide principal analytical inputs to guide the strategic and regulatory framework aimed at resolving identified weaknesses; and (iii) provide focused follow-up during the third study, as a support to SFDA in proposing specific action for priority implementation, developed in dialogue with other agencies. The studies will thus be sequential, building on the foundation of cumulative work and in terms of increasing ownership by SFDA and its partners. Study reports will be produced in English and Chinese, for wide distribution. Unless otherwise agreed by ADB, WHO will formulate and organize and/or directly implement capacity-building activities: (i) one or more international study visits; and (ii) a tailored in-country program, based on identified needs. Plans for these activities—including objectives, venue(s), and participant selection—will be approved by ADB.

A. International Consultants

3. **Expert on National Food Safety Strategy and Systems** (team coordinator; 6 person-months, including an estimated 75 days in the field during three visits to the PRC). The expert will guide development of the National Food Safety Regulatory and Strategic Framework and other TA key outputs, based on international lessons learned and thorough assessment of the PRC context, to identify shortfalls in existing approaches to food safety. The expert will have had extensive experience in various aspects of food safety in a range of countries (including some facing similar challenges as the PRC), with a suitable balance of expertise³ in three broad areas: (i) formulation and reform of food safety-related policy, legislation and regulation, standards, and institutional issues; (ii) technical foundations for food safety systems; and (iii) agency coordination and implementation (including enforcement) of food safety approaches at national and subnational levels. The expert should also have experience in team coordination.

¹ Subject to prior ADB agreement and consistency with ADB practices, the World Health Organization and/or SFDA may propose use of additional resource persons to provide focused, short-term expert inputs (e.g., for workshops).

² Particular focus will be placed on prospects for inter-agency collaboration (e.g., assessing the Confidence in Food and Drug Safety Project) and linkages to other policy- and/or strategy-related initiatives, including work by the Development Research Center of the State Council supported by the Canadian International Development Agency.

³ If a suitable candidate cannot be identified, ADB and SFDA may discuss division into multiple positions, subject to ADB approval.

4. Acting as the team coordinator, the expert will have the following responsibilities:
- (i) Assume overall responsibility for ensuring (a) implementation of the TA according to the terms of reference, provisions of the consultancy contract between ADB and WHO, and any subsequent instructions/guidance that may be provided by the SFDA and ADB or requested revisions proposed by the expert for ADB consideration; and (b) the timeliness and quality of the consulting team's collective work.
 - (ii) Help SFDA and consultant team members to conceptualize the overall project design and thrusts, preparing detailed plans for implementing the TA, including proposals for and organization of surveys, studies, workshops, and seminars, and other activities needed to complete the TA outputs.
 - (iii) Working with the consultant team, review and evaluate (a) policies, laws, regulations, and other directives related to food safety, as well as associated standards; (b) efficacy of enforcement and implementation capacity; (c) consumer awareness and mechanisms for informing and educating the public on key food safety issues; and (d) incentives for and capacity within the food industry to mainstream modern food safety practices. Conduct a gap analysis of these at national and subnational levels.
 - (iv) Provide advice on and assist SFDA and other agencies in developing and drafting proposed changes or creation of laws, regulations, and related food safety measures.
 - (v) Propose a targeted capacity-building program for support under the TA, tailored to priority needs of officials in SFDA and other relevant agencies. This may include policy-related and regulatory areas, and/or technical facets of areas such as (a) supervision and inspection; (b) certification; (c) food safety assurance (including risk analysis and hazard analysis control); (d) information collection and management and emergency response; and (e) education and advocacy for the Government, industry, and the general public, including improved mechanisms for public participation.
 - (vi) Coordinate inputs from the consultant team, SFDA counterparts, and other partners. Develop and conduct capacity building and other seminars and workshops in priority areas, and recommend guidelines for broader capacity building beyond the TA.
 - (vii) Take responsibility for coordination, finalization, and timely delivery of (a) the first two study reports and consultant inputs to the supplementary report; (b) progress reports, including an inception report, quarterly reports, and informal periodic progress reports as may be requested by ADB, and a draft final report and final report; and (c) additional short pieces as may be agreed by ADB, SFDA, and WHO to publicize progress and key findings.

B. Domestic Consultants

5. In addition to the specific duties outlined as follows, each of the four domestic consultants will provide the following inputs, based on an agreed division of labor within the consultant team (coordinated by the team coordinator) and in each consultant's area of expertise:

- (i) Work with the team coordinator to provide a gap analysis of capacities in relevant organizations. Identify priority capacity building needs for support under the TA, and assist in developing and conducting in-country training programs.
- (ii) Propose guidelines on the scope of future capacity building to address broader needs to modernize food safety-related systems in the consultant's area of expertise, and identify local and/or foreign experts or institutions capable providing such programs.
- (iii) As requested by the Team Coordinator, collaborate with the other consultants to address key multi-faceted issues, especially (a) the need to ensure primary responsibility for food safety rests with the food industry, ranging from growers to food handlers; and (b) public safety and consumer mobilization to create demand-side pressures for improved food safety.
- (iv) Collect data for, collate relevant information on, and analyze the technical aspects and related legal, regulatory, standards-related, and/or administrative actions needed.
- (v) Prepare background papers, act as a facilitator and/or resource person, and conduct additional tasks as needed in preparation, implementation, and follow-up to workshops and seminars.
- (vi) Perform such other duties as may be reasonably assigned by the team coordinator.

6. **Analyst on Food Safety Policy, Statutes, and Standards** (4 person-months). The analyst will do the following:

- (i) Under the guidance of the Team Coordinator, assess the existing policy, legislative, and regulatory context relating to food safety issues.
- (ii) Assess the capacity of SFDA and other organizations in analyzing and drafting policy, statutes, and standards.
- (iii) Liaise with research institutions, policy and legislative organs, and other relevant organizations, in order to ensure TA inputs dovetail with existing initiatives.

7. **Food Safety Administration and Enforcement Specialist** (5 person-months). The specialist will do the following:

- (i) Under the guidance of the Team Coordinator, conduct an institutional analysis of SFDA and other key agencies tasked with food safety, including inter-agency linkages.
- (ii) Assess capacities in information management and sharing, and evaluate inter-agency coordinative mechanisms related to food safety administration and enforcement. Identify gaps and remedial measures.

- (iii) Evaluate information management and emergency response capacities under various responsible agencies, as well as coordinative mechanisms.

8. **Specialist on Food Safety Surveillance and Inspection** (5 person-months). The specialist will do the following:

- (i) Assess the capacity and efficacy of current monitoring and surveillance systems in capturing causal factors and impacts from unsafe food, including the PRC's foodborne disease surveillance system. Propose priority strategies and measures to improve systems' efficacy and capacities.
- (ii) Assess human, financial, and material resources and identify related needs of laboratories at national and subnational levels under various agencies.
- (iii) Work with the food production chain analyst to assess the efficacy and availability of indicators of food safety, risk factors, and the impact of unsafe food, and propose concrete measures to enhance monitoring at various levels and steps in the "farm-to-table" process.

9. **Analyst on the Food Production to Consumption Chain** (4 person-months) The analyst will do the following:

- (i) Under the guidance of the team coordinator, investigate key risks throughout the "farm-to-table" chain, and identify remedial measures.
- (ii) Assess the coverage and efficacy of existing food safety-related advocacy to decision-makers and the food industry, as well as information, education, and communication targeting consumers and food handlers.
- (iii) Work with the specialist on food safety surveillance and inspection to assess the efficacy and availability of indicators of food safety, risk factors, and the impact of unsafe food, and propose concrete measures to enhance monitoring at various levels and stages in the "farm-to-table" process.