



THE WORLD BANK

MEMORANDUM OF UNDERSTANDING

Between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,

INTERNATIONAL DEVELOPMENT ASSOCIATION,

AND

APEC FOOD SAFETY COOPERATION FORUM

FOR

COLLABORATION ON FOOD SAFETY CAPACITY BUILDING

IN THE ASIA-PACIFIC REGION

May 18, 2011

The International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (together, the “World Bank” or the “Bank”) and the Asia-Pacific Economic Cooperation Food Safety Cooperation Forum (the “APEC FSCF” or the “Other Party”) (together the “Parties”),

Recognizing that the World Health Organization’s Global Strategy for Food Safety issued in 2002 identified food disease as one of the leading causes of illness and death in developing economies,

Affirming that the World Food Summit of 1996 recognized that food security exists when “all people, at all times, have physical and economic access to sufficient, safe, and nutritious food that meets their dietary needs and food preferences for an active and healthy life”,

Reiterating the Niigata Declaration on APEC Food Security adopted in 2010 that “building the capacity of economies to produce, access, and distribute safe food, as well as developing appropriate food safety regulation, is an integral element of food security”,

Having in mind that food trade is increasingly becoming a global issue with complex and inter-related supply chains, which makes food safety a challenge,

Considering that such challenge can impose substantial costs on an economy in public health and economic terms, and one incident has the ability to devastate entire sub-sectors of domestic and foreign markets regardless of origin,

Noting that ensuring the safety of the global food supply has a substantial public-good dimension,

Bearing in mind that having confidence in the global food supply is essential to maintaining trust in the global trading and regulatory environment, as well as to building domestic exports markets,

Realizing that for the purpose of building domestic export markets, it is important to ensure that small-scale farmers and enterprises in developing economies participate in high-value food supply chains,

Recognizing that global and regional cooperation in the area of food safety capacity building in partnership with food safety regulators, the private sector, and the academic community enhances public health, promotes food security, supports participation by developing economies in high-value food supply chains, promotes confidence in the global food supply, facilitates trade, and provides a public good,

The Parties have agreed that this Memorandum of Understanding (“Memorandum”) represents a statement of intent by the Bank and the APEC FSCF to work together towards the achievement of common objectives and outlines the basis for collaboration in building capacity to better ensure food safety.

1. Background

- (a) The Bank is an international development institution established by the Articles of Agreement adopted by its member economies. The Bank’s mission is to reduce poverty, improve living conditions, and promote sustainable and comprehensive development in the developing world. It achieves these objectives by providing loans, concessional financing, technical assistance, and knowledge-sharing services to its member economies and through partnerships with other organizations.
- (b) Further to its mission, the Bank has, for over a decade, been involved in food safety-related issues through the provision of financings to some APEC members given their importance to agricultural value chains, trade development, and public health. The Bank, through its Sustainable Development Network, has an interest in collaborating with others to foster food safety capacity in the developing world.
- (c) The APEC was established as the premier forum in the Asia-Pacific region to support sustainable economic growth and prosperity in the region by championing free and open trade and investment, promoting and accelerating regional economic integration, encouraging economic and technical cooperation, and enhancing human security.
- (d) Recognizing that the region accounts for over forty percent (40%) of the world population and nearly half of global food production, the APEC leaders, through the Niigata Declaration on APEC Food Security in 2010, have agreed on a collective mandate to improve food safety standards and practices in the region. With this regard, the APEC Food Safety Cooperation Forum (FSCF) was established to bring together food

safety regulators to develop a food safety framework and strategy, and including to carry out capacity building in this regard. The Partnership Training Institute Network (PTIN) was launched through the FSCF to bring the expertise and resources of the private sector, academia, and government to build food safety capacity, in addition to creating a network of food safety institutes and trainers in the region.

- (e) Further to its operations, the APEC FSCF has an interest in collaborating with the Bank to foster food safety capacity in the developing world.

2. Common Objectives

- (a) Consistent with their respective mandates, the Parties desire to cooperate in carrying out activities conducive to promoting and supporting capacity building to better ensure food safety. In carrying out such activities, the Parties will encourage adherence to internationally accepted food safety standards and best practices.

- (b) The Parties anticipate that their collaboration will take place in three phases. Phase I is an ongoing process since 2008 and will continue till shortly after effectiveness of this Memorandum. Phase II will run immediately after effectiveness of this Memorandum and till the end of year 2013 and Phase III from the beginning of 2014 till termination of this Memorandum.

- (i) Phase I: The Parties have collaborated to develop and implement successful food safety capacity building programs. Further work by the Parties to develop training in support of localized and suitable food safety systems, as called for by the Joint Statement of the 22nd APEC Ministerial Meeting held in Yokohama, Japan November 10-11, 2010, is underway.

- (ii) Phase II: The following activities will be undertaken in this pilot phase: (A) development of capacity building programs, including the creation of a pilot program deploying reproducible training modules in priority areas, the effectiveness of which will be measured by success metrics; (B) preparation and implementation of a two to three-year plan for the development of training programs including said training modules; and (C) establishment of a network among food safety institutes, trainers, and practitioners to deploy training programs including the use of said training modules.

- (iii) Phase III: The following activities will be undertaken in this scale-up phase:
 - (A) implementation of capacity building programs deploying reproducible training modules through scale-up of the pilot program developed under Phase II;
 - (B) strengthen the network of food safety institutes, trainers, and practitioners to deploy training programs including the use of said training modules; and
 - (C) sharing of lessons learned, best practices, training modules, and experience gained by the FSCF and PTIN as a model to build food safety capacity on a global basis.

3. Forms of Collaboration

Further to the achievement of their common objectives, the Parties will work collaboratively to consider ways to mobilize resources and funding for activities undertaken, including but not limited to provision of staff time, consultants, in-kind contributions and facilities. The Parties intend to consider ways to (i) share knowledge, ideas and expertise, (ii) collaborate on organization and execution of projects and programs, dissemination of the lessons learned from projects and programs, and organization of such joint events as workshops, conferences and training seminars, (iii) collaborate to engage in dialogue with stakeholders and others interested in activities being undertaken pursuant to this Memorandum or join other entities engaged in activities related to those being undertaken pursuant to this Memorandum, (iv) periodically evaluate the effectiveness of working in collaboration with each other with reference to their respective organizational mandates and priorities.

4. Implementation

(a) This Memorandum provides a non-legally binding framework within which the Parties may develop and undertake collaborative activities. Specific arrangements for individual activities to be carried out pursuant to this Memorandum and provision of resources and funding necessary for the carrying out of the activities will be set forth in written work plans to be jointly formulated by the Parties.

(b) Upon agreement between the Parties on a given work plan, each Party shall be responsible for its own share of the associated financial and other engagements.

5. Key Points of Contact

Each Party hereby designates and appoints below its representative with overall responsibility for implementing this Memorandum, including responsibility for formulating work plans for activities to be undertaken pursuant to it:

For the World Bank:

Patrick Labaste
Sector Leader
Agriculture and Rural Development Unit
East Asia and Pacific

Jean Kamanzi
Senior Livestock Specialist
Agriculture and Rural Development Unit
Sustainable Development Network

1818 H Street NW
Washington, DC 20433
United States of America
Phone: 202-473-4999 Fax: 202-477-2733
E-mail: plabaste@worldbank.org
jkamanzi@worldbank.org

For the APEC FSCF:

Steve McCutcheon
Chief Executive
Food Standards Australia
New Zealand (FSANZ)
Canberra, Australia
Ph: +612 6271 2298 Fax: +612 6271 2278
Email: Steve.mccutcheon@foodstandards.gov

Lin Wei
Deputy Director General
Import Export Food Safety Bureau
The General Administration of Quality
Supervision, Inspection & Quarantine (AQSIQ)
of the People's Republic of China,
No. 9 Madian Donglu, Haidian District,
Beijing, 100088, China
PH: +86 10 822 623 94
Email: linwei@aqsiq.gov.cn

6. Limits to Agreement

- (a) This Memorandum is not legally binding and does not constitute an agreement or commitment by either Party to enter into or provide support for any specific activity or project.
- (b) Nothing in this Memorandum shall be construed as creating a joint venture, an agency relationship, or a legal partnership between the Parties.
- (c) Nothing in this Memorandum is intended to be, or should be construed as, a waiver of the privileges and immunities of either Party, or its officers and employees, which privileges and immunities are hereby specifically reserved.

7. Names, Marks and Logos

- (a) The Parties acknowledge that the names and marks “International Bank for Reconstruction and Development,” “IBRD,” “International Development Association,” “IDA,” “World Bank,” and all variations thereof, including their associated logos (collectively, the “Bank Name”), and “Asia Pacific Economic Cooperation”, “APEC,” and all variations thereof, including their associated logo(s) (collectively, the “APEC Name”), are the sole and exclusive properties of the Bank and APEC, respectively. Neither Party shall acquire any right, title, or interest in the other Party’s Name under this Memorandum.

- (b) The Parties acknowledge that any and all uses by one Party of the other Party's Name shall inure solely to the benefit of the other Party. The Parties understand and agree that neither Party may use the other Party's Name in any manner whatsoever that conveys or suggests, directly or indirectly, endorsement or support of the Party or its products or services by the other Party. All uses by one Party of the other Party's Name in any manner (other than casual or generally accepted uses) shall be subject to the written (including electronic correspondence) approval of the other Party. Upon termination of this Memorandum, or at the request of either Party at any time, each Party shall immediately discontinue any and all use of the other Party's Name and shall destroy stationery, brochures, proposed paid media, and other similar materials bearing any form of the other Party's Name that then are in the possession or control of each Party.

8. Disclosure and Publicity

- (a) The Bank may disclose to the public this Memorandum and information with respect to activities contemplated herein in accordance with the Bank's Policy on Access to Information.
- (b) No activity, and no work created by any activity, undertaken in connection with this Memorandum may be used for commercial purposes. However, publications resulting from such collaborative activity and projects may acknowledge the collaboration of the parties provided the text is jointly formulated by the Parties.
- (c) Any sharing of information between the Parties will be subject to their respective policies and procedures relating to the disclosure of information.
- (d) Confidential information of the one Party shall be handled by the other Party with no lesser standard of care than it would use in handling its own confidential information.
- (e) Unless the Parties otherwise agree, seminars, workshops, and conferences organized by the Parties pursuant to this Memorandum shall be open to the general public.

9. Intellectual Property

The Parties recognize the importance of protecting and respecting intellectual property rights. This Memorandum does not grant on the part of either Party the right to use materials belonging

to, or created by, the other Party. The Parties shall agree in writing on the ownership of any intellectual property rights that may arise in any work to be created by the collaborative activities to be undertaken pursuant to this Memorandum at the time of agreeing on the work plan for such activities. In the absence of any such written agreement, any intellectual property rights arising in any work created by the Parties' collaborative activities undertaken pursuant to this Memorandum shall belong to the Bank.

10. Non-Exclusive Relationship

No relationship exclusive of a third party or parties shall be established between the Parties, whether under this Memorandum generally or with respect to any specific activities or projects undertaken pursuant thereto, unless explicitly agreed to by the Parties under a separate agreement. Neither Party is restricted in any way from engaging a third party or parties to pursue independently of the other Party the objectives described in this Memorandum, except that such engagement with a third party or parties shall not conflict or otherwise unduly interfere with the implementation of this Memorandum or any activities or projects undertaken pursuant thereto.

11. Conflict of Interest

- (a) The Bank's collaboration with the APEC FSCF on activities under this Memorandum is not intended to confer a special advantage or preference to the APEC FSCF in competing with any other entity as regards the procurement of goods, works, or services by the Bank or third parties where such procurement results from or has a direct relationship to such activities.
- (b) The APEC FSCF acknowledges receipt of the Bank's "*Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers*" and "*Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers*" (collectively, the "Bank's Guidelines"), which set forth, *inter alia*, Bank policy requiring consultants to strictly avoid conflicts of interest and imposing certain limitations on their subsequent activities to prevent such conflicts from arising. The APEC FSCF agrees that it will be deemed to be a "consultant" in relation to the activities undertaken pursuant to this Memorandum, as such term is used in the Bank's Guidelines. With respect to any prospective activities undertaken in connection with, or any work related to or arising from the activities under this Memorandum, the APEC FSCF agrees to adhere to the

limitations imposed by the Bank's conflict of interest policy as set forth in the Bank's Guidelines.

- (c) The Bank agrees to make available any other materials needed or provide further guidance to explain the application of the Bank's conflict of interest policy to the APEC FSCF and to assist the APEC FSCF in understanding the limitations that may thereby be imposed.

12. Difference in Interpretation

In the case of a difference of opinion or interpretation between the Parties arising out of or relating to this Memorandum or a work plan commenced pursuant thereto, the Parties intend to work towards amicable resolution in good faith through consultation and negotiation.

13. Term

- (a) This Memorandum is effective upon signature by both Parties and is intended to be in effect for an initial term of five (5) years. Unless modified or terminated as provided below, the term of this Memorandum shall be automatically extended at the end of the initial term for another term of five (5) years.
- (b) At the end of the initial term of this Memorandum, a joint assessment by both Parties will be carried out to review the results and lessons learned from their collaborative activities. The views of stakeholders on the nature and progress of activities or projects may be obtained by the Parties in connection therewith. The Parties will discuss and share any conclusions reached which may have a bearing on the Parties' collaboration under this Memorandum. On the basis of such assessment, the Parties may keep in force, modify, or terminate this Memorandum as provided for below.

14. Modification and Termination

This Memorandum may be modified or terminated at any time by mutual written agreement of the Parties. Further, the Memorandum may be terminated by either Party at its sole discretion with sixty (60) days' prior notice in writing to the other Party.

15. Miscellaneous

- (a) The section headings in this Memorandum are for convenience only and are not intended, and shall not be construed, to alter, limit, or enlarge in any way the scope or meaning of the language contained in this Memorandum.
- (b) This Memorandum will supersede any previous intentions or agreements communicated and agreed upon between the Parties in respect of the collaborative activities and projects contemplated herein.

DATE: _____

**ASIA-PACIFIC ECONOMIC
COOPERATION FOOD SAFETY
COOPERATION FORUM**



Name: Steve McCutcheon

Title: Co-Chair
Food Safety Cooperation Forum
Asia-Pacific Economic Cooperation

**INTERNATIONAL BANK FOR
RECONSTRUCTION
AND DEVELOPMENT
AND
INTERNATIONAL DEVELOPMENT
ASSOCIATION**



Name: Jinger Andersen

Title: Vice President
Sustainable Development Network
World Bank



Name: Lin Wei

Title: Co-Chair
Food Safety Cooperation Forum
Asia-Pacific Economic Cooperation