



**TRADE RELATED TECHNICAL ASSISTANCE (TRTA II)
PROGRAMME**

**INCEPTION REPORT
(Overall Programme)**

**Implemented by
United Nations Industrial Development Organization
(UNIDO)**

01 October 2010

TRTA Programme is funded by the European Commission

**This Inception Report of the TRTA II Programme
was approved by the Programme Steering Committee (PSC)
on
30 September 2010**

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List of Abbreviations

CE	Conformity European
CMO	Collective Management Organization
EC	European Commission
EU	European Union
GI	Geographical Indications
GoP	Government of Pakistan
HACCP	Hazard Analysis Critical Control Point
ICT	Information and Communication Technologies
IAF	International Accreditation Forum
IBA	Institute of Business Administration
ILAC	International Laboratory Accreditation Cooperation
IP	Intellectual Property
IPAS	Industrial Property Automation System
IPO	Intellectual Property Organization of Pakistan
IPPC	International Plant Protection Convention
IPR	Intellectual Property Rights
ISO	International Organization for Standardization
ITC	International Trade Centre
LUMS	Lahore University of Management Sciences
MinFA	Ministry of Food and Agriculture
MoC	Ministry of Commerce
MoIP	Ministry of Industries and Production
MoLDD	Ministry of Livestock and Dairy Development
MoST	Ministry of Science and Technology
MRA	Mutual Recognition Agreement
NAPHIS	National Animal and Plant Health Inspection Service
NEP	National Enquiry Point
NPO	National Productivity Organization
NPSL	National Pakistan Standard Laboratories
PBR	Plant Breeders Rights
PCSIR	Pakistan Council for Scientific and Industrial Research
PCT	Patent Cooperation Treaty
PHDEC	Pakistan Horticulture Development & Export Company
PIFFA	Pakistan International Freight Forwarders Association
PITAD	Pakistan Institute of Trade & Development
PMO	Programme Management Office
PNAC	Pakistan National Accreditation Council
PSC	Programme Steering Committee
PSQCA	Pakistan Standards and Quality Control Authority
R&D	Research and Development
RASFF	Rapid Alert System for Food and Feed
SMEDA	Small and Medium Enterprise Development Authority
SPS	Sanitary and Phytosanitary
TBT	Technical Barriers to Trade
TDAP	Trade Development Authority of Pakistan
TEVTA	Technical Education & Vocational Training Authority
ToR	Terms of Reference
TRIPS	Trade Related Aspects of Intellectual Property Rights
TRTA	Trade Related Technical Assistance Programme
UNIDO	United Nations Industrial Development Organization
USAID	United States Agency for International Development
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

1. Introduction

0.1 Background to the programme

The Trade Related Technical Assistance (TRTA II) Programme is a project funded by the European Union (EU) which aims at strengthening the capacity of Pakistan to participate in international trade. The Financing Agreement was signed by the European Commission on 30 June 2009 and countersigned by the Government of Pakistan on 28 August 2009. Total programme value is €10,045,000, made up of funding of € 9,545,000 by the EC and €500,000 contribution from UNIDO, which will manage the overall programme implementation. The Contribution Agreement between the European Commission (EC) and UNIDO was signed on 6 November 2009. The programme started, with a six-month Inception Period, on 1 January 2010. The programme will be implemented over a period of 54 months, until June 2014.

The overall objective of the programme is to contribute to poverty reduction and sustainable development in Pakistan. The specific purpose is to support economic integration of Pakistan into the global and regional economy and to stimulate decent work and employment creation by increasing exports and enhancing the enabling climate for international trade. The programme activities are to be implemented through three components:

- Component 1: Trade policy capacity building; the expected result is increased relevance and effectiveness of trade policy
- Component 2: Export development through improvement of quality infrastructure; the expected result is improved compliance of export products with market requirements
- Component 3: Strengthening of the intellectual property rights system; the expected result is a modernized IP system that facilitates increased investment and trade in IP protected goods and services

The principal stakeholders of the programme constitute the Ministry of Commerce, Ministry of Science and Technology, Ministry of Food and Agriculture, Ministry of Livestock and Dairy Development, Ministry of Industries and Production, and the Intellectual Property Organization of Pakistan, as well as technological institutions and Competent Authorities operating under the aforementioned Ministries. Private sector associations concerned with fisheries, horticulture produce and industrial clusters will also be beneficiaries of implementation activities.

The inception period of the programme was undertaken from January to June 2010, with the objective being to review programme assumptions, to assess the feasibility of, and finalise, the implementation arrangements, and to propose work plans of activities, including detailed planning of inputs and budgets for the first year. During the period, UNIDO has established the programme management arrangements and has mobilized expertise in each of the programme components. This Inception Report, which sets out the activities and associated results based on findings and recommendations arising from the inception period, is prepared and submitted by UNIDO for the consideration of the Programme Steering Committee.

0.2 Activities during the inception period

The main activities undertaken during the inception period were:

- Recruitment and mobilization of the Programme Management Office (PMO)
- Recruitment and mobilization of key national and international experts
- Consultations with beneficiary organizations regarding updated status, validity of needs assessment and programming of activities
- Surveys and mapping of laboratories servicing of fishery, horticulture and industrial sectors in Pakistan
- Identification of monitoring indicators, and research to establish baseline values
- Identification of related interventions by other donors and discussions on coordination mechanisms
- Establishment of Inter-Agency Agreements between implementing bodies (UNIDO, ITC and WIPO)
- Mobilization of High Level Monitoring and Evaluation Team (HLMET)
- Development of the Terms of Reference and identification of Members of Programme Steering Committee (PSC)
- Preparation of Inception Report

The programme is still at the final stage of inception phase engaged with production of the Inception Report.

2. Executive Summary and Recommendations

- 2.1 The programme integrates with the Poverty Reduction Strategy Paper (PRSP) finalised in 2004 and the Strategic Trade Policy Framework of Pakistan (2009-2012). The programme aims are closely aligned with the Pakistan-European Community Country Strategy Paper for 2007-2013. The importance of development of international trade for poverty reduction was further emphasised by the Second EU-Pakistan Summit (held in Brussels in June 2010). The overall objective and the programme purpose were therefore found to remain relevant to the overall policy objectives of the parties.
- 2.2 The programme results and activities have been reviewed. The overall components structure of the programme is found to remain valid. However, results and activities have been revised with improved focus, as follows:
- **Component 1: Trade policy capacity building:** the expected result is coherent trade policy and regulatory reform for export competitiveness. The thematic areas are: i) PITAD's institutional capacity is strengthened; ii) PITAD's and other research institutes' expertise on trade policy is strengthened; iii) Government officers' capacity on specific trade policy and international trade negotiations is strengthened; iv) Research studies contributing to the development of a national export strategy; v) Public-private dialogue for a coherent national export strategy is fostered.
 - **Component 2: Export development through improvement of quality infrastructure:** the expected result is improved compliance of exported products with export market requirements. The three sub-components are: i) support to strengthen sanitary and phytosanitary (SPS) controls; ii) support to improved quality, value addition and compliance with market requirements of supply chains of selected sectors (fisheries, horticulture and industrial products); and iii) support to improve conformity assessment infrastructure and services.
 - **Component 3: Strengthening of the intellectual property rights system:** the expected result is a modernized IP system that facilitates increased investment and trade in IP protected goods and services. The thematic areas are: i) strengthening IP institutions; ii) strengthening IP legislative and policy framework; iii) more effective enforcement of IP rights; and iv) enhanced capacity of businesses and research institution to use the IP system.
- 2.3 Design of activities has taken into account the need to generate synergies between components; thus Component 1 institutions will develop capacity and undertake trade policy research and analytic studies relevant to activities carried out by Components 2 and 3, and particularly in relation to sectors linked to high poverty rates (fisheries and horticulture). Component 2 will work with enterprises in these sectors, and strengthen institutions dealing with mandatory and voluntary standards. Component 3 will strengthen the intellectual property rights system, again with a focus on IP instruments such as geographical indications (GI) and plant breeder rights (PBR), which would contribute to the realization of trade and developmental goals. The establishment of effective private-public dialogues is an important cross-cutting issue in all three Components; common public-private fora both for horizontal trade related issues and for the specific targeted sectors will therefore be established to ensure coherence in programme delivery across all Components.
- 2.4 Overall work plans are proposed in this report, along with a detailed plan for the 1st year of implementation in each Component. A key assumption to be taken into account is that there is political will for significant reform of structures and responsibilities of established institutions, particularly, in the areas of SPS management and controls and for effective enforcement of legislation. Further, it is critical that adequate remuneration packages are provided to attract and retain staff engaged in activities of beneficiary institutions. The full ownership of the Ministry of Commerce (MoC) as the lead partner in the programme is instrumental in addressing the associated risks. It is also assumed that the impacts of the recent natural disaster to strike the country will not undermine longer-term export potential.

- 2.5 It is also assumed that public and private organizations will have the financial and technical resources to invest in upgraded quality infrastructure and systems. The TRTA II interventions envisaged to improve quality, value added and compliance system will require significant investment from public stakeholders and private operators. Both public and private sectors need to undertake investments in new and improved facilities and infrastructure associated with the programme interventions such as landing sites, food processing business and IP rights for new products and processes. Such investments would also be required to upgrade the premises and equipment of testing laboratories targeted for accreditation. As far as possible, the programme will provide business planning support to strengthen such investment decision making.
- 2.6 UNIDO, as implementing agency of the programme, has established a field-based Programme Management Office (TRTA/PMO), headed by a Chief Technical Advisor, in Islamabad. The Programme Manager at UNIDO Headquarters will be assisted by a full-time associate technical expert and one secretarial staff. MoC/PITAD will be the focal point from GoP side and in addition they will have a role in coordination, monitoring and evaluation of TRTA II. The overall strategic policy and direction of the programme will be guided by the Programme Steering Committee (PSC), whose composition and Terms of Reference have been developed during the inception phase. The PSC will be co-chaired by the EC and MoC.
- 2.7 UNIDO has also identified the need for close collaboration with a number of other donor-supported interventions, to avoid overlap and foster complimentary delivery of activities. The programme will propose regular consultations in coordination with other development partners and programmes in areas relating to trade development. These include USAID FIRMS Pakistan Project (US\$90 million, 2009-2013) which will support enterprises in economic sectors important for Pakistan's export performance, USAID Empower Pakistan Trade (US\$22 million, 2009-2013), the World Bank (IDA) funded Trade and Transport Facilities-II project (US\$25 million, 2009-2014) which will support implementation of the National Trade Corridor Improvement, ADB Sindh Coastal Development Project (US\$40 million, 2007-2013), FAO Capacity Enhancement Assistance in WTO Related Policy and Strategy (US\$0.7 million, 2005-2010), IFAD & Pakistan-Italian Debt Swap Agreement for Balochistan Coastal Area and Fisheries Development (US\$25 and US\$5 respectively, planned for 2011-2016). Contacts and working relationships have been established with implementing bodies.
- 2.8 Programme monitoring and evaluation procedures have been clarified. The EU Delegation to Pakistan will be responsible for overall M&E activities. During inception, a number of key monitoring indicators were identified and baseline values were established. The key objectively verifiable indicators proposed are as follows:
- Component 1: Institutionalization of a well informed public-private dialogue on the design, implementation and monitoring of trade policy and regulatory reform
 - Component 2: Average unit export value in fishery and horticulture increased by 5% by 2014
 - Component 3: Efficiency in registrations of IP titles (patents, trademarks, industrial designs, copyright, etc.) increased by 25% - 30% by 2014
- 2.9 A number of concerns regarding programme sustainability were also identified; beneficiaries may not be able to retain trained staff (to be addressed through the development of retention strategies including incentive schemes, and identifying needed institutional, legal arrangements); international accreditation may be too expensive to be maintained by local enterprises in particular SMEs for the national market (addressed by focus on building national accreditation capacity at PNAC and support for business planning for testing, metrology and certification services); and exports based on renewable natural resources (specifically fishery products) may be undermined by weak resource management (addressed through the support and defining a roadmap for a strategy for sustainable resource management). The Government of Pakistan is therefore recommended to adopt relevant policy measures in this respect.

3. Review of Programme Design/Financing Proposal

3.1 Policy and programme context, including linkage to other ongoing operations/activities

Trade is identified as one of the principal instruments of poverty alleviation, where export-led growth has resulted in increased household incomes and employment opportunities signifying a positive trade poverty-nexus in development process. The TRTA II programme has been specifically designed to target poverty reduction in vulnerable target groups in the fisheries, horticulture and export-oriented SME cluster of industries (fans, cutlery and surgical instruments), so as to maximize benefits from enhanced export performance. The TRTA programme will seek to reduce poverty in the fisheries, horticulture and SME clusters through interventions aimed at improving trade policy related conditions, supply side capacities, from more efficient primary production, improving processing, value addition, including through IP related activities, and handling to strengthened connectivity with export markets.

Further, Pakistan must develop institutional capacities to achieve the programme objective of the country's integration into global economy and the rule-based multilateral trading system. The trade capacity building interventions of the programme components will, therefore, strengthen national capabilities to specifically address the fundamental WTO Agreements relating to: (i) Sanitary and Phytosanitary (SPS) measures; (ii) Technical Barriers to Trade (TBT) pertaining to equivalence of standards and technical regulations, competence of conformity assessment services and functioning of Notification Bodies; and (iii) Trade Related Aspects of Intellectual Property Rights (TRIPS) including capacity for development of coherent trade policy through effective public private dialogue. In doing so, the programme will endeavour to drive trade resulting in increased export performance.

In this connection, the TRTA II programme should be considered within the context of the Government of Pakistan's strategy as articulated in the Poverty Reduction Strategy Paper (PRSP) finalized in 2004. The strategy outlines a comprehensive policy framework for continued growth and development in Pakistan. The PRSP is built around four pillars: (i) achieving broad-based economic growth focusing on the rural economy, (ii) improving governance and consolidating devolution, (iii) investing in human capital and delivery of basic social services, and (iv) targeting the poor and vulnerable. The Government's Medium-Term Development Framework (MTDF) for 2005-2010 recognizes the critical role of creating private sector incomes and employment opportunities for economic growth and poverty reduction. Pakistan's exports consist mainly of raw cotton, textiles and rice. Pakistan's trade levels remain low for a country of its size. Over the last ten years, Pakistan's share in the global market, according to WTO data, has declined from 0.21 % in 1999 to 0.13% in 2009. The 2008 financial crisis had a further severe impact on Pakistan, with significant declines in exports in some traditional sectors such as textiles. The Strategic Trade Policy Framework of Pakistan (2009-2012) aims to re-orientate the country on the path of sustainable high economic growth through exports, with particular emphasis on sectors linked to poverty in particular fisheries and horticulture, two non-traditional export opportunities with high growth potential (see WB/UNIDO study). Pakistan's export development strategy is based on the need to increase both the volume and value of exports, through product diversification and adding to the value chain by building capacity and enhancing exporters' capability. A previous TRTA I programme supported by the EC (2004-2007) addressed some of these needs by building awareness of and capacity for WTO participation, building capacity in accreditation, standardization, metrology, certification and testing, and strengthening the Intellectual Property Organization of Pakistan.

More recently, the Pakistan-European Community Country Strategy Paper for 2007-2013 sets out the framework for development cooperation between the parties. It recognizes the need, *inter alia*, for support in implementing the Doha Development Agenda and trade diversification through technical cooperation, capacity-building, networking and information exchange. The Paper identifies key themes as intellectual property rights, (trade facilitation would be cross border flow of goods), food safety standards, in particular, sanitary and phytosanitary (SPS) measures, and non-tariff barriers (NTBs). The TRTA II programme is intended to build on the achievements of the TRTA I programme, but with a more specific sectoral focus in line with the Pakistan-European Community Country Strategy Paper. The TRTA II programme therefore focuses on three specific areas (trade policy development, quality infrastructure and services and intellectual property rights), which address identified weaknesses in the capacity of Pakistani institutions and enterprises to integrate in the international trading system in particular in fisheries, horticulture and industrial sectors. The inception period has provided an opportunity to better understand the problems to be addressed in these areas, and thus to clarify the focus in the design of TRTA II programme activities.

Furthermore, the EC and Pakistan have recently concluded a Second EU-Pakistan Summit (held in Brussels in June 2010) which emphasised the importance of international trade, and the impetus it can give to restore and enhance economic stability and prosperity. The parties have agreed to strengthen their economic and trade cooperation, and to mutually enhance market access in accordance with WTO rules and obligations. The EU has additionally undertaken to consider a possible free trade agreement, to include the possibility of Pakistan benefiting from the EU's preferential tariff regime (GSP+).

However, if Pakistan is to exploit such opportunities to better integrate into global markets, it needs to diversify its export base, improve productivity, and compliance of goods with market requirements and apply rule based approaches compliant with international standards and principles to improving quality and protecting intellectual property rights. The TRTA II programme aims to deliver support to Pakistan's efforts and enhance its capacity for trade so that the increased cooperation foreseen by the parties can result in meaningful benefits in terms of enhanced economic activity and reduced poverty.

3.2 Objectives to be achieved (Overall objective, purpose, results)

The overall objective of the programme is “**to contribute to poverty reduction and sustainable economic development**”. The programme purpose is “**increased exports and economic integration of Pakistan into the global and regional economy**”. Both of these aims remain valid and are confirmed by the existing policy framework and the ongoing policy dialogue between the parties. In particular, the Second EU-Pakistan Summit held in 2010 has re-affirmed the commitment to supporting trade development initiatives as one of the means of reducing poverty in Pakistan.

Consultations held during the inception period with stakeholders and beneficiaries have indicated that the expected results, whilst not changing in their nature, should be expressed in a way that better reflect the focus on precise needs in each of the three Components where the programme will intervene, as follows:

1. **Result for Component 1: Coherent trade policy and regulatory reform for export competitiveness**
 - PITAD's institutional capacity strengthened
 - PITAD's and other research institutes' expertise on trade policy strengthened
 - Government officers' capacity on specific trade policy and international trade negotiations strengthened
 - Research studies contributing to the development of a national export strategy conducted
 - Public-private dialogue for a coherent national export strategy is fostered
2. **Result for Component 2: Improved compliance of export products with market requirements**
 - Strengthened SPS controls
 - Improved quality, value addition and compliance in fishery, horticulture and industrial sectors
 - Improved conformity assessment infrastructure and services
3. **Result for Component 3: Modernized IP system that facilitates increased investment and trade in IP protected goods and services**
 - Strengthened IP Institutions
 - Strengthened IP Legislation and Policy Framework
 - Increased capacity for enforcement of IPRs
 - Enhanced capacity of businesses and research institutions to use the IP system

3.3 Activities

3.3.1 Activities for Result of Component 1: Coherent trade policy and regulatory reform for export competitiveness

In 2008, Pakistan Institute of Trade and Development (PITAD) (formerly the Foreign Trade Institute of Pakistan) was restructured to provide greater focus on strategic research on trade policy and to become Pakistan's premier body on trade capacity building and human capital development for commerce. The Institute has since strengthened its team of researchers, trainers and support staff and is now fully functional as an independent policy think tank and training centre on international trade. PITAD's goal is to become a public policy institute of international stature as well as to enhance national export competitiveness through policy research and provision of research based training and advice. Through the MoC's Strategic Trade Policy Framework (STPF), PITAD has been assigned the task of providing knowledge-based support to various stakeholders and to evaluate the implementation of STPF. However, there needs to be more attention given towards developing a strategic approach to develop or implement the achievement of these goals.

Therefore, whilst Pakistan has taken positive steps to establish the institutional framework for development of trade policy, more needs to be done to operationalize the organization's set up. TRTA II will deliver support to these ends. The specific purpose of Component 1 is aimed at the Ministry of Commerce (MoC) and Government of Pakistan in developing a coherent trade policy and attendant regulations for export competitiveness as envisioned in the Strategic Trade Policy Framework (STPF) 2009-12. To achieve this overarching objective, Component 1 will aim at strengthening the skills of government officers (in Ministries and implementing agencies) on trade policy and regulatory related issues and international trade negotiations (WTO, regional and bilateral). In addition it will promote a more comprehensive, regular and well informed public private dialogue (PPDs) among government, the private sector and civil society as a basis for trade policy development and interventions.

Hence, the focused activities to achieve the result of Component 1 constitute the following:

- **Strengthening of PITAD's institutional capacity**
 - Assessment of PITAD's equipment needs
 - Provision of updated tools and publications
 - Advice on these tools and publications
- **Strengthening of PITAD's and other research institutes' expertise on trade policy**
 - Needs assessment of ministries and implementing governmental agencies
 - Survey of key institutes, LUMS, IBA, and TDAP, to obtain their current expertise and potential for trade policy research
 - Review and enrichment of specialized training programme and development of other government career development programme delivered by PITAD so as to align with international best practices¹
 - Consultation visit to international training institute by PITAD officer
 - Modules of PITAD's programme are peer reviewed by ITC experts as well as mentors and other faculty members of international training institution
 - Video conferences with PITAD, ITC experts, faculty staff from LUMS, TDAP, IBA, and mentors from international training institution
 - Video conference with PITAD, ITC experts, faculty staff from LUMS, IBA, TDAP and mentors from international training institution to finalize twinning arrangement
 - Bilateral consultations with mentors of international training institute and final peer review of modules and research papers
 - Video conferences with PITAD, ITC experts, and mentors of international training institution to ensure continuous training on technical aspects and pedagogical approach
 - Upgrading and development of PITAD's training modules and initiate research projects by TDAP, LUMS and IBA staff members under international mentoring;
 - Under mentorship of international training institute, 8 to 12 PITAD officers in charge of the development of new modules or improvement of existing ones are orientated in their work (technical and methodological expertise is provided)
 - Consultations between PITAD, research institutes, international training institute and ITC to identify research areas in-line with their respective mandate which will feed PITAD's training modules
 - Under the supervision of the international training institute, 2 officers from TDAP, 2 faculty members from LUMS and IBA in charge of carrying out research are orientated in their work (technical and methodological expertise is provided)
 - Training of Pakistani trainers and researchers by international training institute for ad hoc courses
 - Two three-week courses for trainers on trade policy and international trade negotiations are organized for PITAD's officers (total 8 to 12 officers), TDAP officers (2) and LUMS/IBA (one from each) faculty staff in international training institution focusing on technical and pedagogical issues
 - Bilateral consultations with mentors of international training institute and final peer review of modules and research papers
 - Video conferences with PITAD, ITC experts, and mentors from international training institute to ensure continuous training on technical aspects and pedagogical approach
 - Video conferences with TDAP, LUMS, IBA, ITC experts, and experts from international training institute to ensure continuous training on technical aspects

¹ ITC will initiate a memorandum of understanding between PITAD and International Training Institute so as to pave the way for further cooperation.

- **Strengthening of Government officers' capacity on specific trade policy and international trade negotiations**
 - Series of 6 short (two to three days) trainings on trade policy for government officers and representatives of implementing agencies focusing on immediate needs as identified by the survey conducted by PITAD with technical support as appropriate, from IBA, TDAP and LUMS.
- **Conducting research studies contributing to the development of a national export strategy**
 - Studies carried out to support the public private dialogue undertaken under output 1.5 in order to establish a coherent framework for trade policy and regulatory reform for a national export strategy; Peer review mechanism is established
- **Fostering of public-private dialogue for a coherent national export strategy**
 - Orientation on the framework/methodology for developing national export strategy
 - Series of public-private sector consultations
 - Provision of material, including case studies of best practices and ITC Export Strategy and its related policy framework methodology
 - Provision of issue-based expertise and material

The intended results to be achieved by Component 1 of TRTA II therefore remain relevant and valid, and will be achieved through the above activities.

3.3.2 Activities for Result of Component 2: Improved compliance of exported products

Here, the approach is strengthening the coordination of SPS issues by the Government of Pakistan and implementation of new and better coordinated controls, particularly, in relation to food safety and plant health to respond to mandatory and voluntary quality standards, underpinned by improvements in productivity and value added, enterprises will be assisted. Quality related services which underpin compliance (accreditation, certification, testing and metrology) will be strengthened.

3.3.2.1 Strengthening SPS management system

The programme formulation mission of TRTA II found that in Pakistan, there exists systemic failure of food safety, plant health and animal health controls. An inception phase review indicates that this has not changed. Fishery product exports to the EU remain closed, due to non-compliance with EC sanitary requirements. The EC's Rapid Alert System for Food and Feed (RASFF) has continued to publish Rapid Alerts notices in respect of Pakistani food and horticultural products imported into the Community. In Pakistan's SPS institutions, there is a widespread lack of understanding and awareness of modern SPS management systems, which hampers development of the control system. Controls remain organized on the basis of commodity groups, reflecting functions of Government departments, rather than being arrangement in terms of the risks to be controlled (that is animal health, plant health and food safety). Federal Departments of Animal Quarantine (under MoLDD) and Plant Protection (under MinFA) work exclusively with import/export controls, with no focused effort to integrate activities with controls applied at the domestic level in Pakistan.

In particular, there is no single organizational focus of responsibility at federal level for food safety. Existing activities continue to be undertaken by various bodies; e.g. fish inspection by Marine Fisheries Department and meat inspection activities by Animal Quarantine Department in relation to exports. The Pakistan Standards and Quality Control Authority (PSQCA) under the Ministry of Science and Technology also undertake mandatory sanitary controls. On the other hand, there is only limited capacity to ensure SPS controls at places of production (fishing vessels & landing sites, farms, distributors). The result is that food safety controls remain poorly integrated throughout the supply chain (the "farm to fork" principle).

To address the need for a holistic integration of SPS controls, the Government of Pakistan, through the Ministry of Food and Agriculture, has supported the implementation of a "Special programme for the strengthening of SPS facilities and quality inspection services in compliance with WTO - Establishment of National Animal and Plant Health Inspection Services - NAPHS". In 2009, the NAPHS programme was revised and extended until 2011. The current status of NAPHS is that it has its own premises and professional staff complement. Although it has established a number of activities, including drafting a new

Bill, NAPHIS has so far not been able to develop any coherent policy proposal for the development of SPS Management System.

Furthermore, coordination between the different functions and departments with SPS responsibilities has been significantly complicated by the division of the Ministry of Food and Agriculture and Livestock into two Ministries. SPS functions at federal level are now split between the Ministry of Food and Agriculture (which includes NAPHIS) and the Ministry of Livestock and Dairy Development. Provincial governments are acting to fill the policy vacuum and have also proceeded rapidly to develop food safety controls, but with no coordination or strategic direction from Federal Government. For example, in Punjab alone, the Fisheries Department is developing new legislation for inspection and control of fishery products, the Livestock Department is developing a meat and dairy inspection agency, and the Department of Health has proposed revision of the Pure Food Rules and the formation of Punjab Food Safety Agency.

These developments serve to increase the need for intervention activities to improve coordination in this area (infrastructure requirements are considered by Component 2.2). NAPHIS has a clear opportunity to lead and coordinate important developments in the SPS area. NAPHIS needs to establish its credibility by taking the policy lead for strengthening of the SPS management system in Pakistan, with a focus on food safety. Hence, the focused activities to achieve the result of Component 2 constitute the following:

- **Strengthening SPS Management System**
 - SPS policy development
 - Development of new food safety and phytosanitary laws
 - Development of model technical regulations
 - Strengthening SPS Management Capacities
 - SPS systems planning studies

- **Enhancing application of food safety controls**
 - Development of inspection guidelines, manuals and checklists
 - Provision of inspection equipment
 - Building technical capacity of food safety inspection staff

The proposed result for this sub-component of TRTA II is still appropriate to these needs and the activities outlined above will achieve the expected result.

3.3.2.2 Improving export quality, value addition and compliance with market requirements

This sub-component seeks to achieve the result of improved quality, value addition and compliance by business operators in the export supply chain. The programme formulation mission of TRTA had highlighted sub-optimal export performance in a number of key sectors, especially in relation to fisheries and horticulture products, and a number of industrial sectors. Fishery products suffer from insanitary conditions on fishing vessels and at landing sites, and lack of ice and refrigeration. Mango export supply chains lack rapid chilling facilities immediately post harvest. Along with kinnow, there is poor quality management in plants packaging for export. Post harvest losses are high in all food sectors. Common cross-sectoral constraints identified were the lack of compliance with international regulations, poor quality management by enterprises, poor handling of produce and a lack of understanding of customer needs. These factors result in Pakistani exports being rejected by customers, achieving relatively low market prices, and subsequent loss of market shares. Amongst some of the critical problems to be addressed were:

- weak logistics networks, especially under-developed cold chains
- lack of knowledge and skills in terms of industry best practices for quality and value added, productivity and logistics
- lack of sectoral benchmarking
- lack of strategic focus and weak support service delivery in public sector interventions

Whilst larger producers wish to move towards accreditation under the GLOBALGAP (Good Agricultural Practice) standard, this is presently out of the reach of most of the small-scale growers in Pakistan. The Pakistan Horticulture Development and Export Company (PHDEC) has proposed a PAKGAP standard as a more affordable complementary option which should be made internationally recognized. This approach is an important step in the right direction, which should be supported by TRTA II.

Industrial sectors suffer from lack of awareness of market requirements, and use of outdated management and productivity tools. Strategic direction for meso level interventions to support improvement of quality and productivity is only weakly defined. The TRTA II Programme results in this component are therefore designed to deliver support to exporters by building the capacity of private and public organizations, which are in a

position to provide support services (such as technical advice, training, public infrastructure investment, and incentives schemes). In the fisheries and horticulture sectors, the programme will help strengthen public and private investment planning in supply chain infrastructure (such as fish landing sites) and will support in development of business arrangements along the global supply chain to identify key bottlenecks for establishment of business linkages between international buyers and Pakistani exporters. The proposed result for this sub-component has been confirmed during the inception phase to remain valid and the above activities will achieve the expected result. Consultations during the inception period have further confirmed the need for strengthened supply chain management, as a basis for improved quality, value addition and compliance.

Hence, the focused activities to achieve the result of this sub-component constitute the following:

- **Strengthening the capacity of meso level agencies and service providers to enhance competitiveness**
 - Technical advice to enable NPO to implement customized sector Competitiveness Benchmarking System (CBS) to international standards
 - Training of NPO, PHDEC, TDAP, TEVTA, TUSDEC, SMEDA on CBS and lean tools and linkage through to necessary changes in vocational skills training
- **Improving competitiveness in selected pro-poor manufacturing sectors**
 - Identify options and develop recommendations for value-added production in selected sectors and supply chains (and for identifying activities needed to replicate the pilot models in other sectors)
 - Technical advice for sector organizations to implement improved quality, product handling (refrigeration, packaging, logistics) value added and productivity programmes, including certification to recognised standards
- **Improving competitiveness in the fishery sector**
 - Development of proposals to improve branding, marketing and supply chain performance
 - Support for business planning and development for specific high impact, sub-sector or geographical-related interventions
 - Development and dissemination of codes of practice
- **Improving competitiveness in the horticulture sector**
 - Development, lead by PHDEC, of PAKGAP and its pilot implementation in kinnow and mango sectors and provision of associated training
 - Development and dissemination of codes of practice
 - Identification of options for value-added production in mango and kinnow sectors including branding and GI potential
- **Improving consultancy services and certification of enterprises**
 - Training and qualification of trainers/consultants in management systems (quality, environment, food safety, GAP, CSR) in collaboration with NPO
 - Preparation and certification of 40 enterprises to above management systems
 - Support to 10 selected enterprises to achieve CE marking of products
- **Development of business arrangements along the international supply chain**
 - Identification of key bottlenecks for the establishment of business linkages with international markets for fisheries, horticulture and selected industrial products
 - Support for direct linkage of targeted groups of local producers with international buyers
 - Strengthening PIFFA/NTTFC/FIR and sector organizations to identify and promote cost effective freight forwarding and export logistics including cold chain

3.3.2.3 Improving conformity assessment infrastructure and services

Pakistan has formulated and issued a coherent National Quality Policy and Plan (NQP&P) to develop quality infrastructure and guide quality related operations and applications in the country. A study conducted by

UNIDO under TRTA I identified compliance and quality issues as major challenges faced by exporters in Pakistan in gaining increased access to global markets. The surveys of industrial sectors conducted in the inception period has shown that there is still only limited acceptance in target markets of tests performed in Pakistan and certificates issued in the country. This sub-component therefore seeks to improve conformity assessment infrastructure and services.

The need remains for institutional strengthening of the national standards body (PSQCA), which is mandated to establish national standards, operate system and product certification schemes, conduct compliance testing, and disseminate information on standards and technical regulations (via a Consumer Liaison Office (CLO) and the National Enquiry Point, both established with assistance from TRTA I). There are ongoing weaknesses identified in the standards setting methodology. The NEP does not yet function fully effectively; it must also be better linked to the ISO information system and brought to full operation as WTO notification body for technical regulations. PSQCA continues to apply a number of standards as technical regulations and performs mandatory certification (a conflict of interest with its standard setting powers). There is no coordination of technical regulation development across different areas. Overall, PSQCA needs to re-define its role based on an objective assessment of the needs of Pakistani industry and realistic prospects for provision of standardization and conformity assessment services. This is likely to include a revision of its mandate and associated legislation.

The national standards of measurement in Pakistan are kept by the National Physical and Standards Laboratory (NPSL) in their metrology laboratories in Islamabad. Secondary laboratories in various regions such as the Calibration Laboratories of Pakistan Council of Scientific and Industrial Research (PCSIR) in Karachi and Lahore provide calibration services traceable to the national standards maintained by NPSL. Many gaps still exist in the measurement capabilities of NPSL, in particular, for engineering measurements (calibration of plain limit gauges, thread gauges, gears, force and hardness, flow) and force measurement. The traceability of the national standards housed at NPSL metrology laboratories is not yet established as NPSL metrology laboratories have not achieved internationally recognized accreditation to ISO 17025. NPSL is yet to become signatory to the Mutual Recognition Agreement of the International Committee for Weights and Measures (CIPM/MRA). Overall, there is a remaining need for significant strengthening in the area of calibration and metrology, with a focus on sectors linked to international trade.

The global demand for the application of various management systems (quality, environment, food safety, GAP, CSR etc.) and an increasing number of both public and private standards require a response by Pakistani enterprises as an entry condition to international markets. About 20 certification bodies and over 30 inspection agencies are active in Pakistan. Almost all the certification bodies are linked to their corresponding foreign organizations. There is clear empirical evidence that many standards are not effectively implemented, and often regarded as a paper exercise. By June 2010, only one certification body was accredited by PNAC (although 10 requests have also been logged). Industry wide application of CE marking (a safety related certification required for selling products in the EU market) is yet to be practiced (which hampers exports of sports goods, electric fans and cutlery clusters). There is a need to render credible certification practices of international repute in Pakistan, including application of CE marking by enterprises and industries.

TRTA I assisted 19 laboratories to achieve internationally recognized accreditation to ISO 17025 by an internationally recognized foreign accreditation body, which was chosen due to the lack of internationally recognized local accreditation capacity in the country. These testing laboratories had to rely on continued TRTA support to sustain their accreditation status particularly to meet the cost of mandatory annual surveillance visits by the foreign accreditation body. There is an urgent need to provide affordable and sustainable accreditation services to testing and calibration laboratories. The Pakistan Accreditation Council (PNAC) has been set up under the Ministry of Science and Technology mandated with the task of accreditation of laboratories, certification bodies and inspection agencies. Over the last five years, PNAC has been engaged, through TRTA I support, in developing its operations and conducting accreditation work, in conjunction with the internationally recognized foreign accreditation body, focusing on testing and calibration laboratories. PNAC has now become signatory to the Mutual Recognition Arrangement (MRA) with APLAC and ILAC in respect of accreditation of laboratories. However, it is yet to achieve international recognition through conclusion of Multilateral Arrangements (MLA) with IAF for accreditation of Certification Bodies and Inspection Agencies. There is also a need to continue support to testing laboratories in seeking accreditation to ISO17025. However, accreditation support and the testing laboratories to be assisted must be sustainable. Programme activities in this area are therefore recommended to include support for business planning of laboratory services, organization of local PT schemes, and certification practices.

Hence, the focused activities to achieve the result of this sub-component constitute the following:

- **Support to standardization and technical regulations practices**
 - Consultations on development of voluntary standardization and technical regulations
 - Technical advice to fully operationalize PSQCA National Enquiry Point (NEP) as National Notification Body
 - Training of Consumer Liaison Office at PSQCA to enhance the participation of private sector/consumers in standards setting

- **Support to national metrology services**
 - Technical advice in development of measurement and calibration capabilities in the areas of mass, length, volume, temperature, pressure and electrical quantities (accreditation of 6 metrology labs)
 - Provision of metrology equipment
 - Technical advice and provision of subcontract services to achieve internationally recognized accreditation of NPSL metrology laboratories for the above parameters
 - Support to NPSL to achieve MRA signatory status with CIPM
 - Technical advice and provision of consumables to NPSL to operate a National Proficiency Testing (PT) Scheme for chemical and microbiology testing

- **Support to national accreditation services**
 - Conduct training and certification of personnel to strengthen the pool of external assessors
 - Facilitate PNAC to achieve MLA signatory status with IAF
 - Technical advice in accreditation of PT schemes

- **Support to testing laboratories**
 - Technical advice and provision of subcontract services to achieve internationally recognized accreditation of 24 testing laboratories
 - Facilitating PT participation and provision of Certified Reference Material /Reference cultures to the testing laboratories targeted for accreditation
 - Technical advice in development of business plans to commercialize testing services of the laboratories to ensure sustainability

3.3.3 Activities for Result of Component 3: Modernized IP system that facilitates increased investment and trade in IP protected goods

The approach is to build the capacity for Pakistan to implement a modern IPR regime, linked to the global IP system. Being a signatory to the Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement under WTO, Pakistan is required to upgrade its intellectual property infrastructure. Pakistan has already created the Intellectual Property Organization of Pakistan (IPO - Pakistan) in 2005 as a focal organization for integrated management of intellectual property and enforcement coordination. The IPO operates under the Cabinet Division of GoP.

The TRTA I programme played a significant role in facilitating initial functioning of IPO-Pakistan. A number of well publicized measures have been implemented, in particular, establishment of Anti-Piracy Cells (APCs) in collaboration with Pakistan Customs. In order to improve public awareness, IPO has launched a Public Outreach Programme for leveraging internal and external constituencies, i.e. Chambers of Commerce and Industry, business enterprises, R&D institutions, universities, academia and the general public. The IPO-Policy Board has overseen the drafting of a programme for management of copyrights, patents and trademarks, and in 2010, IPO established an application receiving and processing desk in Islamabad for patents, trademarks, copyrights and industrial design. Initial work has also been undertaken to automate the work of the IP Registries.

However, much remains to be done if the IP system is to make a meaningful contribution to the country's economic goals. The assessments conducted during the inception phase indicate that IPO-Pakistan's ability to fully exercise its key role in leveraging the IP system for trade and economic development remains constrained by a lack of human resources and expertise, and the inefficient, paper-based nature of its work methods and procedures. There are still significant gaps in the IP legislative and institutional framework, which need to be addressed, including accession to certain international agreements and development of laws to protect geographical indications (GIs) and plant breeders' rights (PBRs), which would add value to local potential export products.

Also, enforcement mechanisms need to be strengthened, especially by enhancing the capacity of enforcement agencies to undertake the training of their IP-related officials on their own, in a sustained manner. Most importantly, measures need to be taken to enable businesses to leverage IP for increased innovation and competitiveness. This includes promoting the commercialisation of the outputs of Pakistan's research and higher education infrastructure. Further, the business sector's and other stakeholder's involvement in IP policy exercises needs to be strengthened.

Hence, the focused activities to achieve the result of this sub-component constitute the following:

- **Strengthening IP institutions**
 - Strengthening IPO's policy formulation and planning capacity
 - Strengthening IP administration and examination capacity
 - Upgrading ICT infrastructure
 - Streamlining and automation of IP procedures
 - Digitization of IP records
 - Upgrading IP automation systems
 - Improving financial/human resources management systems
 - Improving technical skills and expertise to support automation
 - Developing online IP services and interfaces
 - Conducting study on the establishment of a collective management organization
- **Strengthening IP legislative and policy framework**
 - Development of new IP laws
 - Facilitation of accession to international agreements
 - Enhancing participation of stakeholders in planning and policy development
- **Improving enforcement of IPRs**
 - Organizing an IP colloquium for the judiciary
 - Training of trainers from the Customs, Police/FIA and the Judicial Academies
 - Support for training courses in Customs, Police/FIA and Judicial Academies
- **Increasing use of IP systems by businesses and research institutions**
 - Creating public awareness of IP
 - Creating businesses awareness of IP
 - Strengthening IP linkages between research institutions and industry

Overall, the result to be achieved in this area, of strengthened policies on intellectual property rights and a more effective IP management framework, remain valid and appropriate to the needs identified, and will be achieved through the conduct of above activities.

3.3.4 Synergies between Component activities and results

The programme will be implemented in three Components corresponding to the three main results. Activities in each Component have been designed to optimize coherence and synergy between them. This reflects the general need for improved coherence in the links between the trade policy framework of Pakistan to the development of quality infrastructure, improved productivity and strengthened SPS and IPR regimes.

Therefore, Component 1 institutions will, in particular, develop capacity and undertake trade policy research and analytical studies relevant to activities carried out by Components 2 and 3, and especially in relation to identification and investigation of technical barriers which have the greatest economic impact on Pakistan's trade performance.

Components 2 and 3 will correspondingly address the implementation of quality and productivity improvements and IP protection in areas where trade policy research suggests that intervention measures could be optimally applied. Research findings in these areas also feed into the training of commercial and governmental operators in Components 2 and 3 to allow them to better understand the context of the SPS

and IPR measures being applied. One example identified during the inception phase, where potential synergies are evident, is in relation to the need to control unregulated trade in fishery products with Iran, where trade policy research (Component 1) and development of appropriate inspection and certification regime (Component 2) can work in tandem to prevent unregulated exports undermining trade. Another example would be in the development of a strategy across Components for the application of Geographical Indications (GI) to horticultural products from specific regions of Pakistan. Activities across all areas are integrated in support to enterprises provided within Component 2.2 interventions.

Furthermore, building on experience from TRTA I, the Programme recognizes that establishing effective private-public dialogues is an important cross-cutting issue for the implementation of its activities. Component 1 is designed to create the foundation for implementing collaborative public-private strategies in trade policy. These strategies will be implemented within Component 2 (for example in development of business arrangements along global supply chains) and Component 3 (for example promoting the adoption of IPR concepts by research and business organizations, and developing stronger linkages between the two). The programme will seek to develop fora which can be used for public-private consultations in different Components. In this way, the programme will seek to exploit the significant and fundamental synergies to be found in establishing effective public-private trade policy dialogue across all three Components and benefitting the targeted sectors.

Activities within components have also been designed to ensure coherence of GoP regulatory activities and private sector development support, particularly in Component 2. Here, strengthened SPS controls will create a holistic framework for official controls to enforce compliance with technical regulations; development of certification systems for voluntary standards (e.g. good agricultural practices, HACCP etc.) will be supported by the development of tools, advisory services and incentives for compliance; strengthened accreditation system and support for accreditation ensure the integrity of the testing and certification services on which conformity assessment and official controls are based; and productivity and benchmarking activities ensure that competitiveness of export products is increased.

3.4 Resources and budget

The budget for the programme intervention is €9,395,000, whose breakdown by Component is as follows:

Component	Amount €
Component 1: Trade policy capacity building	1,040,000
Component 2: Export development through the improvement of quality infrastructure	7,108,400
o Result Area 2.1: Support for SPS management capacity	1,107,460
o Result Area 2.2: Support for improved quality and value-added	1,495,820
o Result Area 2.3: Improving conformity assessment infrastructure	3,530,490
o Programme coordination and management	974,630
Component 3: Strengthening of the Intellectual property rights system	1,163,000
Contingency reserve	83,600
TOTAL	9,395,000

Note that, for simplification, costs of the Programme Management Office (€974,630) are contained within the Component 2 sub-total but include staff allocations and services rendered for all three components. There are no changes proposed to the budget or resource allocations for the action as set out in the Contribution Agreement.

3.5 Assumptions and risks

3.5.1 Political will for institutional reform

The challenge presented by TRTA II in terms of reform of Government institutions should not be underestimated. The current institutional framework, especially in relation to conformity assessment institutions and SPS management, is the product of decades of evolutionary development, in some cases based on structures first constituted during the colonial era. The programme is likely to result in recommendations for significant restructuring of government institutions, leading to a reform of institutional objectives, structures, functions, and inevitably, budgets across existing Ministerial boundaries. Even more modest reforms (for example to address the dispersed location of the IPO Headquarters and its Registries, and their apparent lack of synergies in formulating and implementing IP policies), should be addressed to

ensure that the programme delivers its results. The challenge is to manage these processes in a coherent, transparent and effective way. With regard to risk of GoP not implementing institutional reform, resources would be re-programmed at mid-term in areas where such reforms are not implemented.

The assumption made is that the Government of Pakistan will have the political will to deliver the necessary institutional reforms to be supported by the programme. This includes staffing of key institutions with officials having the required qualifications and profiles, and provision of remuneration packages sufficient to attract and retain qualified staff. Furthermore, since the programme aims to establish rules-based approach to international trade, in some cases this commitment will extend to forcing non-compliant operators to close their businesses (for example by enforcement of SPS regulatory measures). In addition to pursuit of transgressors, it is also assumed that an effective system of penalties and sanctions will be applied.

The Government's commitment is also required to take the private sector as a partner in the design, implementation and monitoring of trade policy and regulator reform as well as in development of national export strategy.

There will be a need for a strong policy support from the Government of Pakistan to address these issues, to be expressed in terms of adoption of new policies in relation to trade, SPS and IPR issues, the promulgation of laws and regulations, and the re-organization of structures and functions of governmental institutions. This high level political will and support, which has been consistently available during TRTA I has to be maintained during TRTA II.

3.5.2 Investment in infrastructure and human capital

In order that the programme activities result in improvements in quality, value added and compliance, operators in the supply chain will need to invest. This applies to both the private and public sectors (the latter in the case of some larger infrastructure investments). It is therefore assumed that both Government and business operators in the supply chain have the financial and technical means and the will to undertake such investments. Examples are upgrading of fish landing sites (public infrastructure), introduction of a HACCP systems by a food processing business, or investment in IP rights for a new process, branding or geographical indications (GIs). Similarly, it is assumed that there will be investment in testing laboratories and other quality related service businesses (such as private third party certification bodies), in parallel with programme activities to support their development.

3.5.3 Professional integrity does not undermine improved controls

The application of an effective SPS control system requires that officials responsible for enforcement act with a high degree of professional integrity. Furthermore, non-professional influences on the actions of officials need not only be financial, social, cultural or familial affiliations may also impact on decisions. The training of SPS system managers and inspectors undertaken should therefore counter this risk by including relevant content aimed at strengthening professional integrity of enforcement services.

3.6 Management and coordination arrangements

3.6.1 Programme management arrangements

The TRTA II programme will be implemented via joint management mode under a Contribution Agreement between the European Commission and UNIDO. For the European Commission, centralized direct management will be undertaken by the EC Delegation to Pakistan. The Government of Pakistan will be represented by the Ministry of Commerce, which will be the lead institution for the beneficiary.

The overall management of the programme will be guided by a Programme Steering Committee (PSC), jointly chaired by the EC Delegation to Pakistan and MoC. The PSC shall meet twice a year. The UNIDO/TRTA Programme Management Office (PMO) will act as the Secretariat to the PSC. The Terms of Reference of the PSC is given in Annex VII.

3.6.2 Programme implementation arrangements

The Contribution Agreement signed between EC and UNIDO foresees that UNIDO may subcontract, after prior approval by the EC Delegation to Pakistan, components of the TRTA II programme to other UN agencies or organizations having the requisite experience and qualifications. Subject to EC approval, UNIDO is proposing an agreement with the ITC for the implementation of Component 1: Trade policy capacity building. Similarly, UNIDO is proposing an agreement with WIPO for the implementation of Component 3: Strengthening of the intellectual property rights system. These partner organizations have participated in the inception activities and their contributions are included in this report. Component 2 will be implemented directly by UNIDO.

A Programme Manager for TRTA II Pakistan at UNIDO Headquarters is responsible for the overall implementation of the programme and coordination with the EC, WIPO and ITC. The Programme Manager (paid out of UNIDO core resources) is assisted by an associate technical expert and an administrative assistant, both of whom are funded by the programme. UNIDO has established a field-based TRTA II Programme Management Office (TRTA/PMO) in Islamabad. The PMO has been established at the UNIDO office in the UN-Complex at the Serena Hotel in Islamabad. A Chief Technical Advisor (CTA) has been appointed to head the PMO, along with a full complement of support staff including a Programme Officer for Component 1 to be part of the PMO. The principal duties of the PMO are overall programme coordination of all TRTA components and field implementation of Component 2. The delivery of Component 3 activities will be managed at WIPO Headquarters in Geneva. The PMO will be responsible for mobilizing programme resources as set out in the annual work plans, and will coordinate implementation with the beneficiary focal points, which have been established during inception in respect of each of the programme components of TRTA II (see below). It will prepare six-monthly progress reports and Annual Work Plans for the consideration of the PSC. The PMO will also endeavour to coordinate TRTA II activities with related interventions of other development partners and programmes as well as ensure visibility of TRTA II activities.

The following Government Ministries and organizations are identified as focal points for individual components and intervention areas of the TRTA II programme:

Component	Focal point
Component 1: Trade policy capacity building	Ministry of Commerce (MoC) ² represented by Pakistan Institute of Trade and Development (PITAD)
Component 2: Export development through the improvement of quality infrastructure <ul style="list-style-type: none"> ○ Result Area 2.1: Support for SPS management capacity ○ Result Area 2.2: Support for improved quality and value-added (fisheries sector) ○ Result Area 2.2: Support for improved quality and value added (industrial sector) ○ Result Area 2.3: Improving conformity assessment infrastructure 	Ministry of Food and Agriculture (MinFA) Ministry of Livestock and Dairy Development (MoLDD) Ministry of Industries, Production and Special Initiatives (MoIP) Ministry of Science and Technology (MoST)
Component 3: Strengthening of the Intellectual property rights system	Intellectual Property Organization (IPO) Pakistan under the Cabinet Division

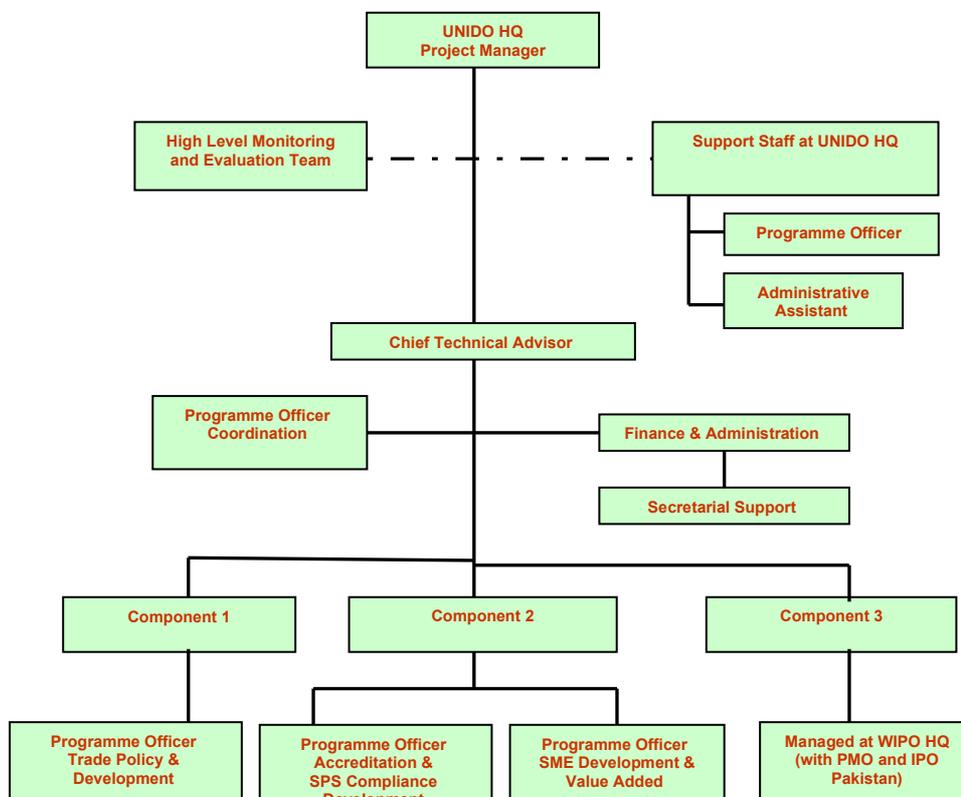
²MOC/PITAD is responsible to ensure coordination of the programme from GoP side and PITAD will have a role in monitoring and evaluation of the TRTA II programme.

In order to provide strategic support to the PMO, UNIDO has established a High Level Monitoring and Evaluation Team (HLMET) comprising representatives of UNIDO, WIPO and ITC and a number of senior international experts in the field of trade capacity building (SPS management, productivity and quality infrastructure). The Team will: i) provide advice on strategic directions for the implementation of the programme, ii) monitor programme progress against goals, iii) assess consistency and synergies between programme components and iv) advise on strategic orientation and mainstreaming of TRTA II into GoP activities. Feedback and inputs will be provided to the programme management and to the PSC prior to its meetings. The HLMET has been consulted in detailed design of activities during inception phase and has supported the development of the monitoring indicators.

The structure of TRTA/PMO is presented in the chart below:

Figure 1: TRTA Programme Management Office Structure

Programme Management Office (PMO) Structure



3.6.3 Coordination with other interventions

A number of important donor interventions have been identified during the inception period, with objectives and results closely aligned to TRTA II. It is critical that the interventions of donors in Pakistan concerned with trade development and promotion be synergized so as to maximize the results and impact on export performance. The TRTA II programme will benefit from such synergies by complementing the efforts and interventions provided by other donors on trade issues. Contacts have been established by PMO with relevant donors and implementing agencies concerned. It is, hence, recommended that the Government of Pakistan, supported by the EC, should establish mechanism for coordination of donors in the trade sector, whereby donors can share their programmes and experiences on a quarterly basis and synergize their interventions thereof. The PMO will provide the requisite operational support. A brief review of selected interventions of relevance to TRTA II is shown overleaf in Table 1.

3.7 Financing arrangements

The total programme cost is €10,045,000 of which €9,545,000 is financed by the EC and €500,000 from UNIDO, with an additional €500,000 GoP counterpart contribution in kind. Under the terms of the Contribution Agreement between the EC and implementing agency, UNIDO, the EC has allocated €8,895,000 to the activities described in this Inception Report, and UNIDO €500,000 (total €9,395,000). According to the Contribution Agreement, 7% of the final amount of the direct eligible costs of the action may be claimed by UNIDO as administrative costs.

Payments will be made in accordance with the Contribution Agreement, in five instalments. The first pre-financing payment has been transferred to UNIDO by the EC and disbursement and accounting systems have been established in line with EC requirements. No specific issues regarding financing arrangements have arisen during the inception period.

3.8 Monitoring, review and evaluation arrangements

Monitoring and evaluation of TRTA II programme will be implemented through centralized management by the EC Delegation to Pakistan. Independent consultants recruited directly by the EC on specifically established terms of reference will carry out external monitoring using a Result Oriented Monitoring (ROM) system. This will start from the sixth month of programme activities and will be finalized at the latest 6 months before the end of the operational implementation phase or as necessitated. In addition, the EC will, outside the context of ROM, directly hire consultants to monitor specific aspects of implementation.

Day-to-day technical and financial monitoring, including field missions to programme sites, will be a continuous process and an integral part of UNIDO's management duties.

A High-Level Monitoring and Evaluation Team (HLMET), established by the programme, will assist in monitoring and review of the programme activities. During the inception period, the HLMET has supported the development of the monitoring arrangements, the selection of OVIs, the design and conduct of baseline studies, the setting of baseline and target indicator values. The impact monitoring scheme proposed for the overall programme is shown in Annex II. The EC may conduct additional monitoring in consultation with UNIDO.

Table 1: Selected trade-related donor interventions in Pakistan

Funding Agency / Project	Title	Project Cost (USD)	Start Date	End Date	Description	1 st Level Implementing Agency	Implementation Status
ADB	Sindh Coastal Community Development Project	40,100,000	15 Jan 2007	30 Jun 2013	The Project aims to reduce poverty of the inhabitants of the coastal zone of Thatta and Badin districts in Sindh Province. The project strategy is to help these households sustainably increase their incomes, their access to public services and their capacity to manage the natural resource base on which they live.	Government of Sindh	Ongoing
FAO	Capacity Enhancement Assistance to MINFA in WTO Related Policy & Strategy Development & Project Formulation	676,784	01 Jul 2005	30 Jun 2010	The main objective of the project is to assist MINFA in enhancing its capacity in trade-related issues, with a focus on strengthening capacity to deal with the informational and analytical needs associated with the WTO negotiations on agriculture so that the Ministry is better prepared to contribute effectively to the country's preparation of WTO negotiations and in formulating and implementing the appropriate policies and strategies, in co-ordination with other ministries and government units, to take advantage of the current and potential trading opportunities in agriculture. The long-term goal of the project is to assist Pakistan to benefit as much as possible from international trade in food and agricultural products and hence to contribute to the country's overall socio-economic development and poverty reduction.	Ministry of Food & Agriculture	Ongoing
IDA	IDA 45770- Trade and Transport Facilities-II	25,000,000	27 May 2009	31 Dec 2013	The objective of the Second Trade and Transport Facilitation Project for Pakistan is to improve performance of trade and transport logistics by facilitating: (a) the implementation of the National Trade Corridor Improvement Program (NTCIP); and (b) the simplification and modernization of Pakistan's international trade procedures and practices. There are two components to the project. The first component of the project is National Trade Corridor (NTC). The second component of the project is Trade and Transport Facilitation (TTF). This component builds on the results achieved by the first trade and transport facilitation project closed in 2006 extending efforts to streamline and integrate trade data exchange and official controls sustain public/private sector collaborative institutional framework and strengthen the domestic logistic industry.	Ministry of Communication/ Communication Division	Ongoing
IFAD	Balochistan Coastal area and Fisheries Development Project*	US \$ 25 Million	Expected 2011	2016	Overall objective of project is sustainable socio economic development of poor farming and fishing communities through improved production and efficient value chains in a participatory, integrated and environmentally friendly manner. The project proposal includes a component for capacity building of the fish inspection capacity of the Balochistan Provincial Government and to improve conditions in the fish supply chain in that province and the activity may include development of model fish landing infrastructure facility and technological assistance for improvement in competitiveness for capture better export market opportunities.	Government of Balochistan	In preparation
Italian Debt Swap	Balochistan Fishery Project**	US \$ 5 million	Expected 2011	2013	The project envisages a strategic development of development of model fish landing infrastructure facility and technological assistance for improvement in competitiveness for capture better export market opportunities.	Government of Balochistan	Finance committed
USAID	USAID Pakistan Firms	89,753,164	07 May 2009	28 Feb 2013	There are three components dealing with i) private sector development ii) development of business support services and iii) strengthening the business enabling environment. It will work in many of the economic sectors important for Pakistan's export performance, including fisheries. Activities in relation to the business enabling environment are expected to include SPS control systems implemented by the Government of Pakistan.	Chemonics International	Ongoing
USAID	Empower Pakistan trade	22,118,147	22 Jun 2009	21 Jun 2013	Trade activity will improve the trade environment in Pakistan, thereby resulting in expanded exports, more competitive enterprises and increased employment opportunities. The project will accomplish this through policy level interventions, capacity building, support to duty free zones and firms in these zones engaged in export.	(TDAP), Ministry of Commerce	Ongoing
Australia	Australia Pakistan Agriculture Sector Linkages Program (ASLP-II)	1,620,000	October 2010	2014	The project will be built on the findings of Phase 1, developing the value chain concept amongst project collaborators. Emphasis would be on 1) Welfare of small mango growers of Pakistan and 2) Role of women in Pakistan mango industry	(PHDEC) Ministry of Commerce	In preparation

3.9 Key quality/sustainability issues (update)

Threats to quality and sustainability of the programme results were re-considered during the inception period. The findings are as follows:

3.9.1 Sustainability of institutional capacity building

The success of the programme in achieving its objectives in all three Components is dependent on the building of capacity through technical assistance and training of counterpart staff in a wide range of public and private institutions. Lessons learnt from previous TRTA I programme indicate that recruitment of staff with the required profiles and retention of such staff can be a problem. As far as possible to counter this and improve long term sustainability, programme activities have applied a train-the-trainer approach. Thus, the programme seeks to strengthen training capacity of organizations such as PITAD, NPO, PHDEC, IPO and the Training Institute of MFD to train new entrants to the services rather than train officers directly. However, the GoP would need to ensure greater rigour in the hiring and human resource policies of key institutions, so that these are staffed by better qualified, more motivated personnel who are able to absorb, and build upon, the assistance provided through the programme.

3.9.2 Sustainability of accreditation status

Lessons learnt from TRTA I indicate that accreditation and provision of proficiency testing services by foreign bodies can only be sustained at high cost. TRTA II therefore aims at building national capacities in these areas by focusing activities on PNAC, which should be able provide these services expeditiously and at lower costs. The programme will only provide support for building capacity and accreditation of testing laboratories which can deliver sustainable services. The programme will therefore assist in business planning to such laboratories and will only support viable entities which match programme inputs with appropriate investment in staffing and facilities.

3.9.3 Sustainability of exports based on natural resources

Fish stock assessment data is out of date (based on 1985 FAO data), and marine fishery resources are reported to be significantly over-exploited. The number of fishing vessels has increased every year. Catch per unit effort has fallen and there is reported widespread use of illegal gears. Larger catches of small and undersized fish increase the proportion of “trash fish,” which is directed to low value fishmeal processing. Pakistan’s capacity for effective management of marine fisheries resources is relatively weak. There are no limits to the entry of new vessels and the fishery is essentially “open access.” Without significant steps to strengthen fisheries management there is a risk that the increased export revenues stimulated by TRTA II may increase incentives to fish, with negative impacts on the natural resources. Hence, the programme activities are designed to add value to existing landings, rather than being based on increased production. Nevertheless, with open access to the fishery, there are significant risks to sustainability associated with the fishery sector interventions. The Government of Pakistan is recommended to implement sustainable management of fishery resources as an accompanying policy measure and will be advised for the establishment of a roadmap for a sustainable fisheries resource management strategy.

4. Overall Work Plan

4.1 Results to be delivered – quantity, quality and time

4.1.1 Component 1: Trade policy capacity building

The thematic areas are: i) PITAD's institutional capacity; ii) PITAD's and other research institutes' expertise on trade policy; iii) government officers' capacity on specific trade policy and international trade negotiations; iv) research studies contributing to the development of a national export strategy; and v) public-private dialogue for a coherent national export strategy. The activities under this component are to be implemented by ITC under overall coordination of the programme by UNIDO.

Strengthening of PITAD's institutional capacity through:

- **Assessment of PITAD's technical materials and publications and procurement of the required items with the view to enable PITAD to carry out high level research, analysis and training:** this assessment will predominantly take place at the start of the programme (2010), but also on a yearly basis to ascertain more immediate needs.

Strengthening of PITAD's and other research institutes' expertise on trade policy through:

- **Needs assessment survey of ministries and implementing governmental agencies in relation to the formulation and implementation of policies in line with the STPF (2009):** a further survey will ascertain the status of key institutes, the LUMS, IBA, TDAP, and their potential to contribute to research and assisting PITAD in training government officers.
- **Review and augment Specialized Training Programme and other government career development programmes delivered by PITAD so as to align with international best practices:** consultation visit by PITAD officer to discuss contents of the training programmes, pedagogical approach, examination requirements and the feasibility of twinning arrangement; Video conference with PITAD, ITC experts, faculty and international training institute to finalize twinning arrangement; Modules of PITAD's programme are peer reviewed by international training institute and ITC experts; Video conferences with PITAD, ITC and international training institute to discuss contents of separate modules of PITAD's training programme in order to exchange ideas on the gaps and the approach required to address them. Apart from consultation visit by the PITAD officer, and consultation to finalize twinning arrangement, this process will occur on two separate occasions, 2010/11 and 2012, prior to and in preparation for the 3 week training programme to be carried out by international training institute. The sharing of information will be important for the international training institute to ascertain what should be included in the 3 week training programme.
- **Upgrading and development of PITAD's training modules and initiate research projects by TDAP, LUMS and IBA staff members under international mentoring:** under the mentorship of the international training institute, 8 to 12 PITAD officers in charge of the development of new modules or completion of existing ones are oriented in their work (technical and methodological expertise is provided); Under PITAD's coordination, consultation with international training institute, ITC, TDAP, LUMS and IBA to identify research areas in line with their respective mandate which will feed PITAD's training modules; Under the supervision of international training institute, 2 officers from TDAP, 2 faculty members from LUMS and IBA who are in charge of carrying out research analysis are oriented in their work (technical and methodological expertise is provided). This process will, on two separate occasions, 2010/11 and 2012, prior to and in preparation for the 3 week training programme to be carried out by the international training institute.
- **Training of Pakistani trainers and researchers by international training institutes for ad hoc courses:** two three-week courses for trainers on trade policy and international trade negotiations are organized for PITAD's officers (total, 8 to 12 officers), TDAP officers (2) and LUMS/ IBA faculty members (one from each institute) by the international training institute focusing on technical and pedagogical issues (the latter PITAD has identified as a particular need); Bilateral consultations with international training institute mentors and final peer review of modules and research papers; Video conferences with PITAD, ITC experts, and international training institute mentors to ensure continuous training on technical aspects and pedagogical approach. These activities will be carried out between 2011 and 2013.

Strengthening of Government officers' capacity on specific trade policy and international trade negotiations through:

- **Support to PITAD for the organization of 6 short (two to three days) training on trade policy for government officers and representatives of implementing agencies focusing on immediate needs as identified by the survey:** provision of technical expertise and materials including case studies, technical papers and training on specific ITC tools (i.e. MacMap, TradeMap). To occur between 2011 and 2013, after the trainees (who will, in turn, be the trainers) have received the 3-week specialized trainings.

Conducting research studies contributing to the development of a national export strategy through:

- **Support to local research and training institutions to produce studies (at least 15):** analytical studies and surveys, impact evaluations of policy measures, as well as position papers presented by economic operators and civil society will be used to inform public-private dialogues on trade policy and regulatory reform required to strengthen export competitiveness of Pakistan. To be carried out between 2011 and 2014.
- **Provision of international technical expertise in order to ensure peer review mechanism of the studies.**

Fostering public-private dialogue for a coherent national export strategy through:

- **Orientation on the framework/methodology for developing national export strategy:** national stakeholders consultation in Pakistan for two days (2010) to discuss prerequisite requirements for the establishment of a public private dialogue mechanism (identification of steering committee and its secretariat, methodology, preliminary identification of research assignments, etc); Provision of material, including case studies of best practices and ITC Export Strategy and its related policy framework methodology.
- **Series of public-private sector consultations:** support to be provided to the secretariat of the Steering Committee to organize approximately 10 well-articulated public-private dialogues in various cities of Pakistan on issues related to the selected target sectors or of cross-cutting nature. Participants to be identified on the basis of the issues to be discussed; PPDs are to be carried out between 2011 and 2014.

4.1.2 Component 2: Export development through improvement of quality infrastructure

The activities under this component are to be implemented directly by UNIDO. The three sub-components are: i) support to strengthen SPS management; ii) support to improve export quality, value addition and compliance of supply chains of selected sectors (fisheries, horticulture and industrial products); and iii) support to improve conformity assessment infrastructure and services.

4.1.2.1 Sub-Component 2.1: Strengthened SPS Management and Controls

The sub-component will support GoP in the endeavour to develop improved coordination and management of SPS measures, with a major focus on NAPHIS and the development of a coherent approach to food safety controls. It will also support the strengthening of food safety controls in key sectors (fishery and horticulture products) with a focus on food safety functions undertaken by Provincial Authorities in Sindh and Punjab. In Balochistan, in relation to the fishery sector, it is proposed that these activities will be undertaken in conjunction with the planned Balochistan Coastal Areas Development Project (IFAD and Pakistan-Italian Debt Swap Agreement), using materials and approaches developed under this sub-component. The detailed activities have therefore been revised during the inception period, taking this approach into account.

The main activities are: i) strengthening the SPS management system; and ii) support for effective application of food safety controls.

Strengthening the SPS management system through:

- **SPS policy development:** support for an initial series of 3 SPS Policy Workshops in 2010 and for the drafting of the NAPHIS Bill followed by workshops for its presentation, discussion and finalization by end of 2010; advice on the organization structure and functions of NAPHIS (report 2010).

- **Development of new food safety and phytosanitary laws:** the sub-component will support NAPHIS as a coordinating body and assist legal working groups in developing new food safety and plant health legislation in relation to new Food Safety, Plant Protection and Pesticides Acts (final drafts available by end of 2011).
- **Development of model technical regulations:** support for legal working groups in preparation of secondary legislation (in the form of model regulations for adoption by Provincial Authorities) covering a wide range of new food safety and phytosanitary measures to reflect Codex Alimentarius and IPPC requirements; (10 model food safety regulations drafted by end of 2012).
- **Strengthening of SPS management capacities:** training during 2011 in capacity building for managers in the SPS system (NAPHIS and Federal and Provincial Competent Authorities) in all aspects of SPS implementation (Codex Alimentarius and IPPC requirements, farm to fork control systems, risk analysis, traceability systems and the role and management of laboratories). The sub-component will also support an international study tour for 12 persons in these fields (during 2012), aimed at illustrating different models for integrated food safety and plant health control systems.
- **SPS system planning studies:** policy options studies in relation to: i) Food safety risk assessment system (2011); ii) Plant health risk assessment study (2011); iii) Animal health and disease control strategy (2012); and iv) Development of an SPS information system (2013).

More effective application of food safety controls through:

- **Development of inspection guidelines, manuals and checklists:** detailed codes and guidance for inspectors in different food industry sectors prepared (fishery products, and meat hygiene by end of 2012, dairy and poultry by end of 2013).
- **Provision of inspection equipment:** the sub-component will specify and procure 120 (No.) kits of inspection equipment for food safety inspectors (delivered and in service by mid-2013).
- **Building technical capacity of food safety inspection staff:** technical training of 120 food safety inspectors at all levels (in all areas at different locations by end of 2013).

4.1.2.2 Sub-Component 2.2: Improved quality, value addition and compliance

During the inception phase, a number of sectoral studies and surveys were undertaken to better understand the strengths, weaknesses, opportunities and threats faced by key industrial sectors engaged in international trade. Studies were conducted in fishery, horticulture, and industrial sectors. These studies were used to identify and focus activities on improved value addition, compliance and productivity in the sectors of fisheries, horticulture (mango & kinnow) and export-oriented industrial products (using fans and cutlery as the models to demonstrate the approach). These are the supply chains where programme results in terms of improved value addition, quality and compliance with standards could have a significant impact on export performance and poverty reduction. Some generic activities, which aim to address issues such as productivity, benchmarking and vocational skills development, are also proposed. The main activities under this sub-component are:

Strengthening the capacity of public agencies to enhance competitiveness through:

- **Technical advice to enable NPO to implement a sector Competitiveness Benchmarking System (CBS) to international standards:** MOU of NPO signed with World Network of Productivity Organizations (WNPO), Competitiveness Benchmarking System (CBS) and lean tools developed by the end of 2011.
- **Training of NPO, PHDEC, TDAP, TEVTA, TUSDEC, SMEDA on CBS and lean tools and linkage through to necessary changes in vocational skills training:** 24 master trainers from related agencies trained in CBS and lean tools, TEVTA syllabus upgraded in line with industry requirements (by the end of 2011).

Improved competitiveness in selected pro-poor manufacturing sectors through:

- **Identify options and develop recommendations for value-added production in selected sectors and supply chains (and for identifying activities needed to replicate the pilot models in other sectors-surgical instruments, sporting goods):** 3 lean manufacturing case studies completed by 2012, 5 clusters with customized CBS implemented by 2014.

- **Capacity building of sector organizations to implement improved quality, value added and productivity programmes, including certification to recognized standards:** 2 groups of enterprises from selected clusters apply improved manufacturing practices to meet market requirements by 2014.

Improved competitiveness in the fishery sector through:

- **Development of proposals to improve marketing and supply chain performance:** recommendation for alternative fish product branding and marketing systems developed by 2012.
- **Support for business planning and development for specific high impact, sub-sector or geographical-related interventions:** Two upgraded plans for fish landing sites (KOFHA and Baba Bhit) developed by 2011, business plan for development of KOFHA as business park developed, design and specifications provided for identified landing sites of auction hall and ancillaries in Balochistan to complement other donor interventions for infrastructure development by 2011.
- **Development and dissemination of codes of practice:** fisheries sector code of practice developed and in place by 2011, training imparted to 1,000 fishermen by 2013.

Improved competitiveness in the horticulture sector through:

- **Development, lead by PHDEC, of PAKGAP and its pilot implementation in kinnow and mango sectors:** PAKGAP standard certification developed by 2012 covering horticulture products in collaboration with PHDEC and PSQCA (by 2011), 50 growers certified to PAKGAP by 2014.
- **Development and dissemination of codes of practice:** horticultural products (mango & kinnow) code of practice covering critical areas along the supply chain (including harvesting, transportation, processing etc.) developed in collaboration with PHDEC and TDAP, translation of code of practices into major local languages (by 2012), training of 2,000 growers on the developed code of practice.
- **Identification of options for value-added production in mango and kinnow sectors including through branding and use of GIs:** branding options including use of GIs, developed for one horticultural product by 2014.

Improved consultancy services and certification of enterprises through:

- **Training of trainers and consultants in management systems:** conduct of certified trainings of 200 trainers/consultants in quality, environment, food safety, GAP, CSR in collaboration with NPO by 2013.
- **Preparation of 40 enterprises in management systems** (quality, environment, food safety, GAP, CSR) through the trained consultants in collaboration with NPO by 2014.
- **Support to 10 selected enterprises** to achieve CE marking of products by 2014.

Development of business arrangements along the global supply chain through:

- **Identification of key bottlenecks for the establishment of business linkages:** Gap analysis done through international buyer surveys, consultative meetings and workshops to identify the problems in developing the linkages between the buyers and suppliers.
- **Support for direct linkage of targeted clusters of local producers with international buyers:** steering groups constituted at the operational levels with members of the private sector representing buyers, suppliers, freight forwarders etc. and at the policy level having representation from both public and private sector led by TDAP (2011).
- **Strengthening PIFFA/NTTFC and sector organizations to identify and promote cost effective freight forwarding, cold chain providers and other export related logistics:** effective linkages developed through pilot shipments by the private sector by the end of 2014. This activity will complement and synergize with other donor interventions to avoid any possible duplication.

4.1.2.3 Sub-Component 2.3: Improved conformity assessment infrastructure and services

Activities are focused on developing public national institutions which provide essential services in standardization, metrology, testing and quality and, in particular, the PSQCA, NPSL and PNAC. In addition,

service providers, and which offer testing and certification within this framework, will be assisted to strengthen the validity and reliability of their services and practices by assisting them to become accredited to the relevant standards.

Improved and streamlined standardization and technical regulations practices through:

- **Consultations on development of voluntary standardization and technical regulations:** development of *modus operandi* for setting voluntary standards by 2013 through workshops and National Conference on Voluntary Standardization and Technical Regulations; support for PSQCA to conduct a strategic review of its activities and to develop a business plan for the provision of sustainable services in standards and conformity assessment by 2011; training course for consumer representatives; training in market surveillance for PSQCA inspectors (2 seminars).
- **Operationalization of PSQCA National Enquiry Point:** provision of technical advice in operationalization of NEP by implementation of operational guide developed under TRTA I; NEP to start acting as National Notification Body by 2011.
- **Strengthening of Consumer Liaison Office at PSQCA:** training of Consumer Liaison Officer (2011) and facilitating the participation of consumer representative in standard setting process and meetings (in about 20 meetings).

Traceable national metrology services through:

- **Development of internationally traceable measurement and calibration capabilities:** technical advice to prepare 6 metrology laboratories in areas of mass, length, volume, temperature, pressure and electrical quantities for accreditation to ISO/IEC 17025 by 2013; review and advice to NPSL on strategic development of measurement services; advice and training for improved calibration procedures; preparation of protocols for inter-laboratory comparison; and provision of equipment for NPSL primary length laboratory by 2012.
- **Support to achieve internationally recognized accreditation of metrology laboratories:** assessment of 6 metrology laboratories by internationally recognized accreditation body by 2013; train staff in development of business plans for metrology laboratories (2013).
- **Support to NPSL to achieve MRA signatory status with CIPM:** facilitate participation of NPSL officials in the annual CIPM meetings; support in peer evaluation of NPSL by CIPM and signing of MRA with CIPM by 2014.
- **Development of a National PT Scheme:** technical advice and training in development and management of PT schemes and develop operational guide of PT scheme by 2012; provision of consumables and technical advice to NPSL in running pilot PT schemes for two areas (chemical and microbiological) by 2013.

Internationally recognized national accreditation services through:

- **Strengthen the pool of external assessors:** conduct two certified technical courses of 20 participants each by 2012.
- **Support to PNAC to achieve MLA signatory status with IAF:** technical assistance to PNAC to develop the necessary protocols to become a PAC and IAF MLA signatory by 2013.
- **Accreditation of Proficiency Testing (PT) Schemes:** provision of technical advice in accreditation of PT schemes (2012).

Accredited testing laboratories through:

- **Support to achieve internationally recognized accreditation:** technical advice to prepare 24 testing laboratories for accreditation to ISO/IEC 17025 by 2012, assessment of 24 testing laboratories for accreditation by PNAC by 2013.
- **Facilitate PT participation:** support 24 testing laboratories for participation in international PT schemes and provision of Certified Reference Material /Reference cultures to the testing laboratories targeted for accreditation (2010-2014).
- **Development of business plans:** conduct training for staff of 44 testing and metrology laboratories in the development of business plans by 2013.

4.1.3 Component 3: Strengthening of the intellectual property rights system

The IP activities are structured into four main areas addressing: i) strengthening of IP institutions; ii) strengthened legislative and policy framework for IP; iii) increased capacity for enforcement of IPRs; and iv) enhanced capacity of businesses and research institutions to use the IP system. The activities under this component are to be implemented by WIPO under overall coordination of the programme by UNIDO.

Strengthened IP Institutions through:

- **Strengthening IPO's policy formulation and planning capacity:** three officials, dealing with policy/legal issues will be sponsored for the LLM Course organized by Turin University; and organization of management training workshop for IPO staff.
- **Strengthening IP administration and examination capacity:** review and advice on trademark and patent administration; intensive training courses on trademarks and on patents examination.
- **Upgrading ICT infrastructure:** review of the IPO's IT strategy; to assess and recommend on IT infrastructure upgrades and security.
- **Streamlining and automation of IP procedures:** mapping of IP workflow processes for automation and recommendations on streamlining of these processes; study tour for registry officials on advanced automated business procedures.
- **Digitization of IP records:** study visit of IPO staff to WIPO to study digitization of patent records; procure local contractual services and equipment for digitization and completion of IP databases.
- **Upgrading IP automation systems:** update software used by IPO to the new version of WIPO IPAS Java; technical assistance and knowledge transfer to customise software; training of relevant IPO IT staff to deploy and operate new packages.
- **Improving financial/human resources management systems:** review and recommend priority administrative management areas for automation (e.g. financial planning and budgeting, human resources management, etc.); procure and customize locally available software and service packages for the identified priority areas.
- **Improving technical skills and expertise to support automation:** advanced training on international classification systems for patents, industrial designs and trademarks; training of IT and management staff on the use of IPAS Java and its functionality; local technical training of the IT staff of the IPO will be provided in database management, networks, information security and software development.
- **Developing online IP services and interfaces:** upgrade of IPO web site to a dynamic web IP portal and external interfaces; procurement of local services for development of online services and the IP portal;
- **Conducting study on establishment of a collective management organization:** updated study on establishment of a collective management organization (CMO) for musical rights management; national stakeholders consultations on measures to establish and operate an effective CMO.

Strengthened IP legislative and policy framework through:

- **Development and implementation of new IP laws:** advice for formulation of laws for the protection of PBRs and GIs; training/consultations on operationalization of PBRs and GIs; national stakeholder consultation on GI legislation; paper on feasibility of using utility models (petty patents) to encourage innovation;
- **Facilitation of accession to international IPR agreements:** Consultation visits to WIPO and video conference with national stakeholders to discuss accession to the Patent Cooperation Treaty (PCT) and the Madrid Protocol.
- **Inclusive planning and policy development:** supply of IP audit tools and advice for audit; roundtable event for stakeholders to identify elements of an updated, medium/long term IP policy and strategy for Pakistan.

Increased capacity for enforcement of IPRs through:

- **Capacity building of enforcement agencies:** colloquium for judges on IP enforcement, including on institutional mechanisms for effective judicial enforcement; training of “trainers” from Customs and Police/FIA, Academies in UK; supply of training program outlines/reference material to training institutions; support for 3 short IP enforcement training courses for officials of the Customs, Police/FIA and the Judicial Academies.

Enhanced capacity of businesses and research institutions to use the IP system through:

- **Creating public awareness of IP:** briefing sessions for journalists; provision of IP awareness materials for media; provision of IP reference materials for education institutions, research institutes, and IPO Pakistan.
- **Creating businesses awareness of IP:** training course at WIPO in Geneva for up to 15 nationals on IP programs for businesses; inclusion of IP issues in public-private consultations to be held under Component 1; roundtable on trade policy and IP for government officials and private sector representatives; preparation of a paper on IP challenges and trade; paper on branding and GI options for one horticultural product.
- **Strengthening IP linkages between universities/research institutions and industry:** roundtable in Islamabad on measures to establish and strengthen national technology management offices (TMOs); provision of model IP curricula for engineering, business and law schools; e-forum for universities/research institutions and industry to exchange information and views on strengthening industry-research institutions linkages.

4.2 Activity schedule – including any key milestones and lead responsibilities

An overview of activity schedule for the programme is shown overleaf.

4.2 Activity schedule – including any key milestones and lead responsibilities

Activities	Responsible Agency	2010				2011				2012				2013				2014		Key milestones
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
COMPONENT 1: Trade Policy Capacity Building		INCEPTION PHASE																		
Inception Phase (IP)	ITC																			
- Development of IP Guidelines	ITC																			
- Development of content and format of Inception Report (IR)	ITC																			
- Preparation of initial draft of IR	ITC																			
- Expert missions	ITC																			
- First draft of IR	ITC																			
- Second/Final draft of IR	ITC																			
- Presentation of draft of IR at National Workshop	ITC																			
- Presentation of Final IR at PSC meeting for official approval	ITC																			
Programme Implementation Phase																				
1.1 Strengthening of PITAD's institutional capacity																				
- Assessment of PITAD's equipment needs - Provision of updated tools and publications - Advice on these tools and publications	PITAD/International training institute																			Provision of updated tools and publications as well as advice given on their use
1.2 Strengthening of PITAD's and other research institutes' expertise on trade policy																				
- Needs assessment of ministries and implementing governmental agency - Survey of key institutes, LUMS, IBA, and TDAP, to obtain their current expertise and potential for trade policy research	PITAD																			Survey is produced, and key outcomes are derived
- Review and enrichment of Specialized Training Programme and other government career development programmes delivered by PITAD so as to align with international best practices	International training institute/PITAD/ ITC																			Diagnostic assessment of PITAD's needs for module improvement and research to be undertaken
- Upgrading and development of PITAD's training modules and initiate research projects by TDAP, LUMS and IBA staff members under international mentoring	International training institute/PITAD/ ITC																			Contents of PITAD's course modules are designed/revised; research projects are designed
- Training of Pakistani trainers and researchers by international training institutes for ad hoc courses	International training institute																			Trainings are successfully completed; attendees pass course
1.3 Strengthening of Government officers' capacity on specific trade policy and international trade negotiations																				
- Series of training for policy makers conducted by PITAD with technical support as appropriate, from IBA, TDAP and LUMS	PITAD/International training institute/ITC																			Trainings are successfully completed
1.4 Conducting research studies contributing to the development of a national export strategy																				
- Studies carried out to support the public private dialogue undertaken under output 1.5 in order to establish a coherent framework for trade policy and regulatory reform for a national export strategy; Peer review mechanism established	PITAD/ITC																			Research studies are completed and pass peer review
1.5 Fostering public-private dialogue for a coherent national export strategy																				

4.2 Activity schedule – including any key milestones and lead responsibilities

Activities	Responsible Agency	2010				2011				2012				2013				2014		Key milestones
		Q1	Q2	Q3	Q4	Q1	Q2													
- Orientation on the framework/methodology for developing national export strategy	PITAD/ITC																			PPD mechanism is established
- Series of public-private sector consultations	PITAD/ITC																			PPDs are held in various cities on different issues and include a wide range of participants; Discussions feed into government decisions on trade policy
COMPONENT 2: Export Development through Improvement of Quality Infrastructure																				
Result Area 2.1: Strengthening SPS Controls																				
Inception Phase (IP)																				
- Development of IP Guidelines	UNIDO																			
- Development of Content and Format of Inception Report (IR)	UNIDO																			
- Sector Study in Horticulture (Kinnow and Mango)	UNIDO																			
- Sector Study in Fisheries	UNIDO																			
- Preparation of initial draft of IR	UNIDO																			
- International Expert missions in SPS	UNIDO																			
- First draft of IR	UNIDO																			
- Second/Final draft of IR	UNIDO																			
- Presentation of draft of IR at National Workshop	UNIDO																			
- Presentation of Final IR at PSC meeting for official approval	UNIDO																			
Programme Implementation Phase																				
2.1.1 Strengthening the SPS management system																				
- SPS Policy Development	UNIDO/ NAPHIS																			
- SPS Policy workshops (3) and drafting of NAPHIS Bill	UNIDO/ NAPHIS																			NAPHIS Bill approved
- Development of New Food Safety and Phytosanitary Laws	UNIDO/ NAPHIS																			Food safety and phytosanitary laws approved
- Development of Model Technical Regulations	UNIDO/ NAPHIS																			Model technical regulations drafted
- Strengthening of SPS Management Capacities	UNIDO/ NAPHIS																			Study tour of SPS for managers
- SPS systems planning studies	NAPHIS																			Planning studies completed
2.1.2 More effective application of food safety controls																				
- Development of inspection guidelines, manuals and checklists	UNIDO/ NAPHIS																			New guidelines published
- Provision of inspection equipment	UNIDO/ NAPHIS																			Inspection kits provided
- Building technical capacity of food safety inspection staff	UNIDO/NAPHIS/ MoLDD/Provincial Govts.																			Food safety Inspectors trained
Result Area 2.2 Improve Quality, Value-Addition & Compliance																				
Inception Phase (IP)																				
- Development of IP Guidelines	UNIDO																			
- Development of Content and Format of Inception Report (IR)	UNIDO																			

4.2 Activity schedule – including any key milestones and lead responsibilities

Activities	Responsible Agency	2010				2011				2012				2013				2014		Key milestones	
		Q1	Q2	Q3	Q4	Q1	Q2														
- Sector Study in Industrial Products (textile& garments, sporting goods and apparel, fans, surgical instrument, cutlery)	UNIDO																				
- Preparation of initial draft of IR	UNIDO																				
- International Expert mission in Value Added Productivity	UNIDO																				
- First draft of IR	UNIDO																				
- Second/Final draft of IR	UNIDO																				
- Presentation of draft of IR at National Workshop	UNIDO																				
- Presentation of Final IR at PSC meeting for official approval	UNIDO																				
Programme Implementation Phase																					
Result Area 2.2 Improve Quality, Value-Addition & Compliance																					
2.2.1 Strengthening the capacity of public agencies to enhance competitiveness																					
- Design sector competitiveness benchmarking system (CBS)	UNIDO/NPO																				CBS & Lean Tools developed
- Develop capacity of agencies to use lean tools	UNIDO/NPO/SMEDA																				Master Trainers trained
- Pilot CBS/lean and provide support for replication	UNIDO/NPO/SMEDA/TEVTA																				Selected Firms of clusters implement CBS
- Storage, analysis & publication of data	UNIDO/NPO																				Data published
- Monitoring of CBS	UNIDO/NPO																				Monitoring mechanism developed
- Links to WNPO	UNIDO/NPO																				MOU with WNPO signed
- Vocational Skills training development	UNIDO/NPO/TEVTA																				Master Trainers trained
- Research on approaches to vocational skills development	UNIDO/TEVTA																				Case studies in lean manufacturing completed
- Academic interchange	UNIDO/TEVTA																				Linkages with international academic institutions developed
- Update vocational training courses	UNIDO/TEVTA																				TEVTA Curriculum updated
2.2.2 Improving competitiveness in selected pro-poor manufacturing sectors																					
- Pilot application of Improved manufacturing practices(Key drivers) in 2 groups of enterprises	UNIDO																				
- Build manufacturing capacity to meet market requirements	UNIDO/NPO/SMEDA/TDAP																				Manufacturing capacity enhanced
- Identification of export requirements	UNIDO/ TDAP																				Market surveys completed
- Firm level interventions	UNIDO/ NPO																				
- Identify interventions for value added production	UNIDO/TDAP																				CBS implemented Proposals for value addition developed
2.2.3 Improving competitiveness in the fishery sector																					
- Development of code of practice workshops	UNIDO/ MFD/PSEA/ PFF																				Consensus on code of practices developed
- Code of practice workshop to get sector buy-in	UNIDO/ MFD/PSEA/ PFF																				Code of Practices shared with private sector
- Dissemination of code of practice training	UNIDO/ MFD/PSEA/ PFF																				Fishermen trained
- Monitoring of practice	UNIDO/ MFD/PSEA/PFF																				

4.2 Activity schedule – including any key milestones and lead responsibilities

Activities	Responsible Agency	2010				2011				2012				2013				2014		Key milestones
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
		- Oversight/Follow-up	UNIDO/ MFD/PSEA /PFF																	
- Technical framework for landing sites in Balochistan	UNIDO/Balochistan Govt																			Design & specifications developed
- Design spec of Baba Bhit landing site	UNIDO/Sindh Govt																			Design & specifications developed
- Pilot operation of landing site	UNIDO/Provincial Govts																			
- Feasibility study for Korangi business park	UNIDO/KoFHA																			Business plans developed
- Options for value added production	UNIDO/PSEA																			Proposals for value addition developed
2.2.4 Improving competitiveness in the horticulture sector																				
- Support PHDEC in developing PAKGAP and pilot implementation in kinnow & mango sectors	UNIDO/ PHDEC/PSQCA																			PAK GAP standard developed
- Dissemination of code of practice to farmers	UNIDO/ PHDEC/TDAP																			Farmers trained
- Implementation of standards	UNIDO/PHDEC																			Farmers adopt PAK GAP
- Options for value added production	UNIDO/ PHDEC																			Proposals for value addition developed
- Monitoring	UNIDO/PHDEC																			
- Oversight/Follow up	UNIDO/PHDEC																			
2.2.5 Improving consultancy services and certification of enterprises																				
- Training and qualification of trainers / consultants in management systems (quality, environment, food safety, GAP, CSR) in collaboration with NPO	UNIDO/NPO/CBs																			Consultants/trainers trained
- Preparation of enterprises to achieve certification in above management systems	UNIDO/CBs/ Trade Associations																			Enterprises prepared for certifications
- Assistance to selected enterprises to achieve CE Marking of products	UNIDO/CBs/Trade Associations																			Products identified & Prepared for CE Mark
2.2.6 Development of business arrangements along the international supply chain																				
- Facilitate business linkages	UNIDO/ TDAP/Trade Associations																			Linkages developed for clusters
- Trade Corridor visits from delegations	UNIDO/ PHDEC/TDAP																			Cost effective logistic options provided
- Development of freight forwarding	UNIDO/ TDAP/PIFFA																			
Result Area 2.3 Strengthening Conformity Assessment Infrastructure and Services																				
Inception Phase (IP)																				
- Development of IP Guidelines	UNIDO																			
- Development of Content and Format of Inception Report (IR)	UNIDO																			
- Preparation of initial draft of IR	UNIDO																			
- International Expert mission in Lab Accreditation	UNIDO																			
- International Expert mission in Conformity Assessment	UNIDO																			
- First draft of IR	UNIDO																			
- Second/Final draft of IR	UNIDO																			

4.2 Activity schedule – including any key milestones and lead responsibilities

- Presentation of draft of IR at National Workshop	UNIDO																			
- Presentation of Final IR at PSC meeting for official approval	UNIDO																			
Activities	Responsible Agency	2010				2011				2012				2013				2014		Key milestones
		Q1	Q2	Q3	Q4	Q1	Q2													
Programme Implementation Phase																				
2.3.1 Improve and streamlined standardization and technical regulations practices																				
- Consultations on development of voluntary standardization and technical regulations	UNIDO/ PSQCA/ Consumer Associations																			
- Operationalization of PSQCA National Enquiry Point	UNIDO/ PSQCA																			NEP operates as notification body
- Strengthening of Consumer Liaison Office at PSQCA	UNIDO/ PSQCA/CLO																			CLO officers (2) trained
2.3.2 Traceable national metrology services																				
- Development of internationally traceable measurement and calibration capabilities	UNIDO/NPSL																			Quality and technical manuals prepared, participation in inter-laboratory comparison
- Assistance to achieve internationally recognized accreditation of 6 metrology laboratories (mass, length, volume, temperature, pressure & electrical quantities)	UNIDO/NPSL																			NPSL measurement and calibration services accredited
- Support to NPSL to achieve MRA signatory status with CIPM	UNIDO/NPSL																			MRA signed
- Development of a National PT Scheme	UNIDO/NPSL/PNAC																			National PT Scheme for two areas operational
2.3.3 Internationally recognized national accreditation services																				
- Strengthen the pool of external assessors	UNIDO/PNAC																			Certified training courses of in ISO 17025 conducted
- Support to PNAC to achieve MLA signatory status with IAF	UNIDO/PNAC																			MRA signed
- Accreditation National Proficiency Testing (PT) Schemes	UNIDO/PNAC/NPSL																			National PT Scheme accredited
2.3.4 Support to testing laboratories																				
- Support to achieve internationally recognized accreditation of 24 testing laboratories	UNIDO/ Laboratories																			Testing laboratories accredited
- Facilitate in PT participation, provision of Certified Reference Material /Reference cultures to the testing laboratories targeted for accreditation	UNIDO/ Laboratories																			Participation in PT schemes
- Assistance in development of business plans to commercialize testing services of the laboratories to ensure sustainability	UNIDO/ Laboratories																			Business planning process initiated

Activities	Responsible Agency	2010				2011				2012				2013				2014		Key Milestones
		Q1	Q2	Q3	Q4	Q1	Q2													
COMPONENT 3: Strengthening of the Intellectual Property Rights system																				
Inception Phase (IP)																				
- Development of IP Guidelines	WIPO																			
- Development of Content and Format of Inception Report (IR)	WIPO																			
- Preparation of initial draft of IR	WIPO																			
- Fielding of WIPO mission	WIPO																			
- First draft of IR	WIPO																			
- Second/Final draft of IR	WIPO																			
- Presentation of draft of IR at National Workshop	WIPO																			
- Presentation of Final IR at PSC meeting for official approval	WIPO																			
Programme Implementation Phase																				
3.1 Strengthening IP Institutions																				
- Strengthening IPO's policy formulation and planning capacity	WIPO/IPO																			
- Strengthening IP administration and examination capacity	WIPO/IPO																			Legal officers and managers trained
- Upgrading ICT infrastructure	WIPO/IPO																			IP procedures reviewed and examiners trained
- Streamlining and automation of IP procedures	WIPO/IPO																			ICT infrastructure recommendations developed
- Digitization of IP records	WIPO/IPO																			IP business procedures mapped and streamlined for automation
- Upgrading IP automation Systems	WIPO/IPO																			Completion of IP databases and IP records digitization
- Improving financial/human resources management systems	WIPO/IPO																			Upgraded system (IPAS Java) customised and deployed
- Improving technical skills and expertise to support automation	WIPO/IPO																			Priority financial/human resources e systems deployed
- Developing online IP services and interfaces	WIPO/IPO																			IPO IT staff trained
- Conducting study on the establishment of a collective management organization	WIPO/IPO																			IP web portal, online services and external interfaces developed
- Developing online IP services and interfaces	WIPO/IPO																			Proposal for establishment of a CMO developed
3.2 Strengthening IP Legislative and Policy Framework																				
- Development and implementation of new IP laws	WIPO/IPO																			Position papers on new IP laws
- Facilitation of Accession to International IPR Agreements	WIPO/IPO																			National stakeholders consultations
- Inclusive planning and policy development	WIPO/IPO																			National stakeholders consultations
3.3 Improving enforcement of IPRs																				
- Organizing an IP colloquium for the judiciary																				Judges trained
- Training of trainers from the Customs, Police/FIA and the Judicial Academies	WIPO/IPO/Academies																			"Trainers" trained
- Support for training courses in Customs, Police/FIA and the Judicial Academies																				Training courses held
3.4 Increasing use of IP systems by businesses and research institutions																				
- Creating Public Awareness of IP	WIPO/IPO																			Awareness material disseminated; media briefed
- Creating businesses awareness of IP	WIPO/IPO/SMEDA																			Business "trainers" trained
- Strengthening IP linkages between Universities/Research Institutions and Industry	WIPO/IPO/NUST/PCSIR																			e-forum established

4.3 Resource schedule and budget

Table 2: Resource Allocation Plan of Component 1: Trade Policy Capacity Building

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost						
International Consultants (staff months)	2.25 p/month	16,600	6.5 p/month	49,000	4.5 p/month	35,000	3 p/month	22,000	2 p/month	12,000	18.25 p/month	134,600
National Consultants (staff months)	4.8 p/month	10,000	12 p/month	24,000	12 p/month	24,000	12 p/month	24,000	6 p/month	12,000	46.8 p/month	94,000
Mission Cost €	40 trips	12,960	119 trips	40,100	47 trips	31,230	7 trips	24,700	29 trips	17,210	43 trips	126,200
Training & Study Tour (person weeks)		3,250		6,650		6,350		6,500		1,250		24,000
Workshops/Seminars (person days)	190 p/days	11,650	940 p/days	47,500	635 p/days	32,600	525 p/days	26,500	155 p/days	7,700	2445 p/week	125,950
Equipment and Supplies €		13,000		17,100		12,100		7,000		3,600		52,800
Publications €		22,000		12,590		9,700		12,000		5,000		61,290
International and Local Subcontracts €		46,300		60,200		88,000		45,500		4,000		244,000
Overheads (operational cost) €		33,010		44,640		43,370		38,420		17,720		177,160
Total Budget		168,770		301,780		282,350		206,620		80,480		1,040,000

Table 3: Resource Allocation Plan of Component 2: Export development through improvement of quality infrastructure (including Programme Coordination)

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost						
International Consultants (staff months)	38 p/month	232,000	53.25 p/month	354,000	38 p/month	230,000	35 p/month	208,000	12 p/month	60,000	176.25 p/month	1,084,000
National Consultants (staff months)	113.75 p/month	171,920	168.5 p/month	255,920	162.5 p/month	246,320	134.5 p/month	201,520	54 p/month	79,560	633.25 p/month	955,240
Mission Cost €	337 trips	185,970	789 trips	350,770	565 trips	278,790	209 trips	154,570	92 trips	75,480	1991 trips	1,045,580
Training & Study Tour (person weeks)	220 p/days	59,530	734 p/days	198,180	563 p/days	152,010	303 p/days	81,680	20 p/days	5,400	1840 p/days	496,800
Workshops/Seminars (person days)	789 p/days	33,540	816 p/days	34,620	1476 p/days	61,020	1846 p/days	75,820	444 p/days	18,730	5371 p/days	223,730
Equipment and Supplies €		144,400		13,400		149,240		13,400		13,400		333,840
Publications €		25,560		30,080		31,490		26,490		21,490		135,110
International and Local Subcontracts €		495,720		370,300		421,340		520,220		130,500		1,938,080
Overheads (operational cost) €		222,890		217,390		197,910		181,700		76,130		896,020
Total Budget		1,571,530		1,824,660		1,768,120		1,463,400		480,690		7,108,400

Table 4: Resource Allocation Plan of Result Area 2.1: SPS management system

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost						
International Consultants (staff months)	2.5 p/month	20,000	7.5 p/month	60,000	6 p/month	48,000	6.5 p/month	52,000	-	-	22.5 p/month	180,000
National Consultants (staff months)	3.5 p/month	5,600	18.5 p/month	29,600	23.5 p/month	37,600	15 p/month	24,000	-	-	60.5 p/month	96,800
Mission Cost €	11 trips	30,630	33 trips	76,600	33 trips	76,800	11 trips	30,620	-	-	88 trips	214,670
Training & Study Tour (person weeks)	112 p/days	30,370	345 p/days	93,150	345 p/days	93,150	113 p/days	30,380	-	-	915 p/days	247,050
Workshops/Seminars (person days)	180 p/days	7,200	530 p/days	21,200	1090 p/days	43,600	1560 p/days	62,400	-	-	3360 p/days	134,400
Equipment and Supplies €		-		-	120 kits	60,840		-		-	120 kits	60,840
Publications €		-		-		-		-		-		-
International and Local Subcontracts €		-		-		-		-		-		-
Overheads (operational cost) €		38,500		41,470		47,030		35,790		10,920		173,700
Total Budget		132,300		322,020		407,020		235,190		10,920		1,107,460

Table 5: Resource Allocation Plan of Result Area 2.2: Export quality and value added productivity

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost						
International Consultants (staff months)	7.5 p/month	60,000	17.75 p/month	142,000	5 p/month	40,000	4.5 p/month	36,000	-	-	34.75 p/month	278,000
National Consultants (staff months)	5.25 p/month	8,400	42 p/month	67,200	31 p/month	49,600	11.5 p/month	18,400	-	-	89.75 p/month	143,600
Mission Cost €	136 trips	39,600	606 trips	178,330	380 trips	105,770	74 trips	41,250	-	-	1196 trips	364,950
Training & Study Tour (person weeks)	48 p/days	12,960	289 p/days	78,030	88 p/days	23,760	80 p/days	21,600	-	-	505 p/days	136,350
Workshops/Seminars (person days)	48 p/days	1,920	-	-	100 p/days	4,000	-	-	-	-	148 p/days	5,920
Equipment and Supplies €		-		-		-		-		-		-
Publications €		-		11,080		7,490		2,490		2,490		23,550
International and Local Subcontracts €		20,000		124,280		55,320		132,500		12,500		344,600
Overheads (operational cost) €		41,940		63,890		41,840		39,490		11,690		198,850
Total Budget		184,820		664,810		327,780		291,730		26,680		1,495,820

Table 6: Resource Allocation Plan of Result Area 2.3: Conformity assessment infrastructure and services

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost								
International Consultants (staff months)	28 p/month	152,000	28 p/month	152,000	27 p/month	142,000	24 p/month	120,000	12 p/month	60,000	119 p/month	626,000
National Consultants (staff months)	24 p/month	72,000	12 p/month	36,000	108 p/month	324,000						
Mission Cost €	145 trips	104,590	105 trips	84,690	107 trips	85,050	79 trips	71,550	70 trips	69,980	506 trips	415,860
Training & Study Tour (person weeks)	60 p/days	16,200	100 p/days	27,000	130 p/days	35,100	110 p/days	29,700	20 p/days	5,400	420 p/days	113,400
Workshops/Seminars (person days)	561 p/days	22,420	286 p/days	11,420	286 p/days	11,420	286 p/days	11,420	286 p/days	11,430	1703 p/days	68,110
Equipment and Supplies €		32,000		75,000		-		-		-		107,000
Publications €		4,000		4,000		4,000		4,000		4,000		20,000
International and Local Subcontracts €		475,720		246,020		326,020		387,720		78,000		1,513,480
Overheads (operational cost) €		95,940		71,360		71,600		73,040		30,700		342,640
Total Budget		974,870		743,490		747,190		769,430		295,510		3,530,490

Table 7: Resource Allocation Plan of Coordination of overall programme (incorporated in Component 2 budget of Table 3 above)

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost								
International Consultants (staff months)		-		-		-		-		-		-
National Consultants (staff months)	81 p/month	85,920	84 p/month	87,120	84 p/month	87,120	84 p/month	87,120	42 p/month	43,560	375 p/month	390,840
Mission Cost €	45 trips	11,150	22 trips	5,500	201 trips	50,100						
Training & Study Tour (person weeks)		-		-		-		-		-		-
Workshops/Seminars (PSC+Events)		2,000		2,000		2,000		2,000		7,300		15,300
Equipment and Supplies €		112,400		13,400		13,400		13,400		13,400		166,000
Publications €		21,560		15,000		20,000		20,000		15,000		91,560
International and Local Subcontracts €		-		-		40,000		-		40,000		80,000
Overheads (operational cost) €		52,000		34,610		37,750		34,950		21,520		180,830
Total Budget		285,030		163,280		211,420		168,620		146,280		974,630

Table 8: Resource allocation plan of Component 3: Strengthening of the Intellectual Property Rights System

Input	Year 1		Year 2		Year 3		Year 4		Year 5		Total	
	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost €	Means/ Unit	Cost
International Consultants (staff months)	5 p/ month	26,522	16 p/month	88,479	13 p/month	69,948	8 p/month	39,588		0	42 p/month	224,537
National Consultants (staff months)			5 p/month	7,383	4 p/month	6184	0.5 p/month	860			9.5 p/month	14,427
Mission Cost (trips)	4.5 trips	14,309	40 trips	120,576	36 trips	109,817	14.5 trips	43,826		0	95.5 trips	288,528
Training & Study Tour (person weeks)	6 p/week	12,769	42 p/week	85,657	23.5 p/week	48,225	0.5 p/week	1,051		0	227.5 p/week	147,702
Workshops/Seminars (events)	0.25	354	6	8,605	9.5	13,556	7	10,020		0	22.75 events	32,535
Equipment and Supplies € (units)		0	3.3	16,667	1.6	8,333		0		0	5 units	25,000
Publications € (sets)		0	10	32,180		0		0		0	10 sets	32,180
International and Local Subcontracts €			1.4	39,477	3.3	91,740	2.8	79,190		0	7.5 contracts	210,407
Overheads (operational cost) €		30,313		54,199		50,614		38,753		13,268		187,147
Total Budget		84,267		449,386		394,580		213,288		13,268		1,163,000

4.4 Updated risk management plan

Identified risks related to a potential lack of political will for implementation of programme activities (section 3.4.1) are addressed by the composition of the PSC, where high level participation of the MoC will ensure effective communication to Cabinet level, of the need to respond to the intervention activities. With regard to the IPR regime, risks are also specifically addressed by Component 3 activities, which will seek to build public, governmental and private sector awareness of the importance of IPR regime, thus helping to create the environment for implementation of other activities.

Identified risks related to a potential unwillingness to invest in upgraded quality systems on the part of government and private sector operators (section 3.4.2) are addressed by the inclusion of support for business planning activities in Component 2. The programme will apply analytical business tools to assess feasibility of infrastructure investment (for example landing sites and cold chain facilities etc.) and investment in quality infrastructure (such as PSQCA and private and public testing facilities). The availability of well-founded business plans will improve the sustainability of investment decisions and the likelihood of obtaining counterpart and government finance for the proposed investments, which were mobilized in a very significant manner under TRTA I.

Identified risks related to improved controls being undermined by malpractice in enforcement agencies and the judiciary will be addressed by the inclusion of integrity-awareness elements in training activities directed towards enforcement agencies. This includes sanitary and phytosanitary inspectors in federal and provincial agencies under Component 2.1.

4.5 Special activities to support sustainability

4.5.1 Approach to selection of programme beneficiary organizations

The programme will work to build the capacity of public service providers and private sector enterprises for coherent trade policy; improved quality, competitiveness and compliance; and an effective IPR regime. The selection of counterpart organizations, which will respond positively to programme activities and allocate the appropriate staff, financial and technical resources, is a necessary condition for the sustainability of the interventions. Experience with TRTA I has shown that without strict selection and pre-conditions, the sustainability of proposed programme activities can be limited. For instance, supporting laboratory accreditation by engaging the services of foreign accreditation body should be seen only as an interim measure requiring the establishment of such services locally to be envisaged as from the onset of the programme.

Therefore, the programme will adopt an approach which demands a high level of commitment from beneficiaries. The principles applied will be: negotiation and signature of a MoU between the programme and the beneficiary, where required, at the outset of an assistance programme setting out the commitments of both sides; requirement for material inputs from the beneficiary (nomination of responsible staff; inputs to support for consultants, e.g., travel/accommodation/translation services); and setting clear milestones for delivery/implementation of activities. Activities programmed for beneficiaries, who do not meet their commitments, will be downgraded or cancelled. This approach will ensure that resources are focused on beneficiaries with the capacity and required will to implement new approaches, thus supporting sustainability.

4.5.2 Policy support for sustainable management of natural resources

Section 3.8.3 identified the risk that the programme may stimulate export demand for fishery products and thus contribute to increased fishing effort applied to fishery resources already subject to unsustainable levels of exploitation. It is clear that Pakistan's fishery resource management should be strengthened. The programme will therefore assist the government in the definition of a roadmap for a sustainable fisheries resource management strategy. It also will promote the adoption of relevant policy support measures.

Annex I: Updated Logframe Matrix

	Overall Project Intervention Logic	Objectively Verifiable Indicators of Achievement	Sources and Means of Verification	Assumptions
Overall Objective	To contribute to poverty reduction and sustainable development in Pakistan	Poverty incidence rate declines from 22.6% to 21.6% by 2014 Pakistan HD Index annual rate of increases rises from 1.3% to 1.5% by 2014	Statistics from GoP, World Bank, ADB UN HDI	
Programme Purpose	Increased exports and economic integration of Pakistan into the global and regional economy	Exports as a share of GDP increase from 27.1 % to 32.1% by 2014 Volume, value and unit value of exported goods to EU, SAFTA, China and Malaysia increase by 5% by 2014 Comparative costs of exports falls by 05 points by 2014	Statistics from the GoP, EUROSTAT WB Cost of doing business survey	Pakistan's international financial position and domestic political and security situation remain stable
Expected Results	1. Coherent trade policy and regulatory reform for export competitiveness 1.1 PITAD's institutional capacity is strengthened 1.2 PITAD's and other research institutes' expertise on trade policy is strengthened 1.3 Government officers' capacity on specific trade policy and international trade negotiations is strengthened 1.4 Research studies contributed to the development of a national export strategy 1.5 Public-private dialogue for a coherent national export strategy is fostered	Institutionalisation of a well informed public-private dialogue on the design and monitoring of trade policy and regulatory reform by 2012	PPD Steering Committee reports	Pakistan's trade partners do not turn to protectionist policies International market demand for export products remains stable Natural resources supplying export chains are managed sustainably
	2. Improved compliance of exported products with export market requirements 2.1 Strengthened SPS controls 2.2 Improved quality, value addition and compliance in fishery, horticulture and industrial sectors 2.3 Improved conformity assessment infrastructure and services	Controls on exports of fishery products "at least equivalent" to EC by 2012 No. Of EU RASFF alerts for products of plant origin/year reduced to <10/year by 2014 Average unit export value in fishery/horticulture increases by 5% by 2014 Internationally recognized accreditation (1), testing (24), metrology (6) and system certification (5) services by 2013	DG SANCO EC RASFF US FDA Enterprise survey	
	3. Strengthening IP system facilitating increased investment and trade in IP protected goods and services 3.1 Strengthened IP institutions 3.2 Strengthened IP legislative and policy framework 3.3 Increased capacity for effective enforcement of IPRs 3.4 Enhanced capacity of businesses and research institutions to use the IP system	Efficiency in registrations of IP titles (patents, trademarks, industrial designs, copyright, etc.) increased by 25 to 30% by 2014	IPO Pakistan	

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
Activities	Component 1: Trade policy capacity building 1.1 PITAD's institutional capacity is strengthened 1.2 PITAD's and other research institutes' expertise on trade policy is strengthened 1.3 Government officers' capacity on specific trade policy and international trade negotiations is strengthened 1.4 Research studies contributed to the development of a national export strategy 1.5 Public-private dialogue for a coherent national export strategy is fostered	International Experts National Experts Training/workshops International Travel Other equipment and services Office costs Studies/services Others	Component 1: 1,040,000	Suitable skilled personnel are recruited and can be retained by relevant GOP agencies Political will exists for legal and institutional changes (SPS and IPR legislations enacted) Enterprises and government agencies have financial capacity for investment in improved infrastructure and human capital Professional integrity does not undermine improved controls Pakistan's institutions and enterprises maintain investment in basic research and development
	Component 2: Improved compliance of exported products with export market requirements		Component 2: 7,108,400	
	Component 2.1 Strengthening SPS controls 2.1.1 Strengthening SPS Management System 2.1.2 More effective application of food safety controls		Result Area 2.1: 1,107,460	
	Component 2.2 Improved quality, value addition and compliance in fisheries, horticulture and industrial sectors 2.2.1 Strengthening the capacity of public agencies to enhance competitiveness 2.2.2 Improved competitiveness in selected pro-poor manufacturing sectors 2.2.3 Improved competitiveness in the fishery sector 2.2.4 Improved competitiveness in the horticulture sector 2.2.5 Development of business arrangements along the international supply chain		Result Area 2.2: 1,495,820	
	Component 2.3: Improving conformity assessment infrastructure and services 2.3.1 Improved and streamlines standardization and technical regulations practices 2.3.2 Traceable national metrology services 2.3.3 Internationally recognized national accreditation services 2.3.4 Credible national certification services 2.3.5 Support to testing laboratories		Result: Area 2.3: 3,530,490 Coordination: 974,630	
	Component 3: Strengthening of the intellectual property rights system 3.1 Strengthening IP institutions 3.2 Strengthening IP legislative and policy framework 3.3 Improving enforcement of IPRs 3.4 Increasing use of IP systems by businesses and research institutions		Component 3: 1,163,000	
			Contingency: 83,600 TOTAL: 9,395,000	

	Intervention Logic for Component 1: Trade Policy Capacity Building	Objectively Verifiable Indicators of Achievement	Sources and Means of Verification	Assumptions
Overall Objective	To contribute to poverty reduction and sustainable development in Pakistan	Poverty incidence rate declines to 21.6% by 2014 Pakistan HD Index increases to 1.5% by 2014	Statistics from GoP, World Bank, ADB UN HDI	
Programme Purpose	Increased exports and economic integration of Pakistan into the global and regional economy	Exports as a share of GDP increase to 32.1% by 2014 Volume, value and unit value of exported goods to EU, SAFTA, China and Malaysia increase by 5% by 2014 Comparative costs of exports falls by 05 points by 2014	Statistics from the GoP, EUROSTAT WB Cost of doing business survey	Pakistan's international financial position and domestic political and security situation remain stable
Expected Results	<p>1. Coherent trade policy and regulatory reform for export competitiveness</p> <p>1.1 PITAD's institutional capacity strengthened</p> <p>1.2 PITAD's and other research institutes' expertise on trade policy strengthened</p> <p>1.3 Government officers' capacity on specific trade policy and international trade negotiations strengthened</p> <p>1.4 Research studies contributing to the development of a national export strategy conducted</p> <p>1.5 Public-private dialogue for a coherent national export strategy is fostered</p>	<p>PITAD's technical materials and publications assessed and procurement made of items required to carry out high-level research, analysis and training by 2011</p> <p>Twining arrangement signed with international training institution (1 MOU signed by 2012)</p> <p>8 trainers and researchers trained by 2011; a further 8 researchers and trainers trained by 2012 (two batches, 16 in total)</p> <p>PITAD modules and trade policy research projects (6) are carried out and completed by 2013 and assessed to be of a high standard.</p> <p>6 officers from government offices and implementing agencies are successfully trained by 2011</p> <p>At least 15 research papers that feed into public-private dialogue are produced by 2014 and are approved through peer review mechanism</p> <p>A core group of key stakeholders constituted to develop a national export strategy by 2012</p> <p>Approximately 10 PPDs are held by 2014</p>	<p>PITAD/MoC annual report</p> <p>PPD Steering Committee reports</p> <p>STP reviewed, enriched and internationally accredited</p> <p>International training institute reports</p>	<p>Pakistan's trade partners do not turn to protectionist policies</p> <p>International market demand for export products remains stable</p> <p>Natural resources supplying export chains are managed sustainably</p>

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
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Activities	<p>1.1 Strengthening of PITAD's institutional capacity</p> <ul style="list-style-type: none"> Assessment of PITAD's technical materials and publications Procurement of items required to carry out high level research, analysis and training <p>1.2 Strengthening of PITAD's and other research institutes' expertise on trade policy</p> <ul style="list-style-type: none"> Needs assessment survey of ministries and implementing governmental agencies Survey of key institutes, LUMS, IBA, and TDAP, to obtain their potential to contribute to research and assisting PITAD in training government officers Review and enrichment of Specialized Training Programme and other government career development programmes delivered by PITAD so as to align with international best practices Upgrading and development of PITAD's training modules and initiate research projects by TDAP, LUMS and IBA Staff members under international mentoring Training of Pakistani trainers and researchers by international training institute for ad hoc courses (on-site training followed by video conferences) <p>1.3 Strengthening Government officers' capacity on specific trade policy and international trade negotiations</p> <ul style="list-style-type: none"> Series of training for policy makers conducted by PITAD with technical support as appropriate, from IBA, TDAP and LUMS Provision of technical expertise and materials including case studies, technical papers and training on specific ITC tools (i.e. MacMap, TradeMap). <p>1.4 Conducting research studies contributing to the development of a national export strategy</p> <ul style="list-style-type: none"> Studies carried out to support the public private dialogue undertaken under output 1.5 in order to establish a coherent framework for trade policy <p>1.5 Fostering public-private dialogue for a coherent national export strategy</p> <ul style="list-style-type: none"> Orientation on the framework/methodology for developing 	<table border="0"> <tr> <td>International Experts</td> <td>18.25 p/month</td> <td>134,600</td> </tr> <tr> <td>National Experts</td> <td>46.8 p/month</td> <td>94,000</td> </tr> <tr> <td>Mission cost</td> <td>43 trips</td> <td>126,200</td> </tr> <tr> <td>Trainings abroad</td> <td>53 p/days</td> <td>24,000</td> </tr> <tr> <td>Workshops & Seminars</td> <td>2445 p/weeks</td> <td>125,950</td> </tr> <tr> <td>Equipment</td> <td></td> <td>52,800</td> </tr> <tr> <td>Publications</td> <td></td> <td>61,290</td> </tr> <tr> <td>International and Local Subcontracts</td> <td></td> <td>244,000</td> </tr> <tr> <td>Operational cost (including admin cost)</td> <td></td> <td>177,160</td> </tr> <tr> <td>TOTAL</td> <td></td> <td>1,040,000</td> </tr> </table>	International Experts	18.25 p/month	134,600	National Experts	46.8 p/month	94,000	Mission cost	43 trips	126,200	Trainings abroad	53 p/days	24,000	Workshops & Seminars	2445 p/weeks	125,950	Equipment		52,800	Publications		61,290	International and Local Subcontracts		244,000	Operational cost (including admin cost)		177,160	TOTAL		1,040,000	<p>Commitment on the part of beneficiaries (i) to nominate suitable staff for training, (ii) to secure tenure of trained staff,(iii) to provide reports, .and (iv) to cooperate with each other</p> <p>Commitment on the part of Government (i) to commit itself to take the private sector as a partner in the design, implementation and monitoring of trade policy and regulatory reform, (ii) to develop national export strategy, (iii) and to nominate suitable staff for training courses.</p> <p>Availability of suitable skilled persons and researchers in LUMS, IBA, TDAP and other selected institutes is interested in pro-competitive</p>
International Experts	18.25 p/month	134,600																															
National Experts	46.8 p/month	94,000																															
Mission cost	43 trips	126,200																															
Trainings abroad	53 p/days	24,000																															
Workshops & Seminars	2445 p/weeks	125,950																															
Equipment		52,800																															
Publications		61,290																															
International and Local Subcontracts		244,000																															
Operational cost (including admin cost)		177,160																															
TOTAL		1,040,000																															

	<p>national export strategy</p> <ul style="list-style-type: none">• Series of public-private consultations			
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	Intervention Logic for Component 2: Export development through improvement of quality infrastructure	Objectively Verifiable Indicators of Achievement	Sources and Means of Verification	Assumptions
Overall Objective	To contribute to poverty reduction and sustainable development in Pakistan	Poverty incidence rate declines to 21.6% by 2014 Pakistan HD Index increases to 1.5% by 2014	Statistics from GoP, World Bank, ADB UN HDI	
Programme Purpose	Increased exports and economic integration of Pakistan into the global and regional economy	Exports as a share of GDP increase to 32.1% by 2014 Volume, value and unit value of exported goods to EU, SAFTA, China and Malaysia increase by 5% by 2014 Comparative costs of exports falls by 05 points by 2014	Statistics from the GoP, EUROSTAT WB Cost of doing business survey	Pakistan's international financial position and domestic political and security situation remain stable
Expected Results	2. Improved compliance of exported products with export market requirements	Av. Export value in fishery/horticulture (Value export (\$)/Volume export (kg)) increases by 5 % by 2014		Pakistan's trade partners do not turn to protectionist policies International market demand for export products remains stable Natural resources supplying export chains are managed sustainably
	2.1 Strengthened SPS controls	Controls on exports of fishery products "at least equivalent" to EC by 2012 No. Of EU RASFF alerts for products of plant origin/year reduced to <10/year by 2014	DG SANCO EC RASFF US FDA Enterprise survey	
	2.2 Improved quality, value addition and compliance in fishery, horticulture and industrial sectors	10 additional fishery establishments compliant with EC market requirements by 2014 Value of fishery/horticulture products at first sale increased by 5% in real terms by 2014 40 fishery/horticulture/fans/cutlery enterprises certified to quality, environment, food safety, GAP, CSR management systems including CE marking by 2014		
	2.3 Improved conformity assessment infrastructure and services	Internationally recognized accreditation (1) compliance testing (24), metrology (6), system certification (5) and metrology (6) services achieved by 2013 30 testing/metrology labs paying accreditation fees to PNAC by 2014		
	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
Activities	Component 2.1 Strengthening SPS controls 2.1.1 Strengthening SPS Management System <ul style="list-style-type: none"> SPS policy development Development of new food safety and phytosanitary laws Drafting of model technical regulations Strengthening SPS Management Capacities SPS systems planning studies 2.1.2 More effective application of food safety controls <ul style="list-style-type: none"> Development of inspection guidelines, manuals and checklists Provision of inspection equipment Building technical capacity of food safety inspection staff 	International Experts 22.5 p/month National Experts 60.5 p/month Training/Workshops 3360 p/days International Travels 42.5 trips International per diem 915 p/days Local travels 46 trips Local Per diems 606 p/days Equipment 120 kits Operational cost (including admin cost): TOTAL	180,000 96,800 134,400 63,750 247,050 45,000 105,920 60,840 173,700 1,107,460	Suitable skilled personnel are available and can be retained by relevant GOP agencies Political will exists for legal and institutional changes; Legislation approved by Parliament (enactment of NAPHIS Bill) Commitment on the part of beneficiaries to nominate suitable staff for training and to secure tenure of trained staff
	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions

Activities	<p>Component 2.2 Improving quality, value addition and compliance in fisheries, horticulture and industrial sectors</p> <p>2.2.1 Strengthening the capacity of public agencies to enhance competitiveness</p> <ul style="list-style-type: none"> • Technical advice to enable NPO to implement a sector competitiveness benchmarking system (CBS) to international standards • Training of NPO, PHDEC, TDAP, TEVTA, TUSDEC, SMEDA on CBS and lean tools and linkage through to necessary changes in vocational skills training <p>2.2.2 Improving competitiveness in selected pro-poor manufacturing sectors</p> <ul style="list-style-type: none"> • Conduct study and recommendations for value-added production in selected sectors and supply chains (and for identifying activities needed to replicate the pilot models in other sectors –surgical instruments, sporting goods) • Capacity building of sector organisations to implement improved quality, value added and productivity programmes, including certification to recognised standards <p>2.2.3 Improving competitiveness in the fishery sector</p> <ul style="list-style-type: none"> • Development of proposals to improve marketing and supply chain performance • Support for business planning and development for specific high impact, sub-sector or geographical-related interventions • Development and dissemination of codes of practice <p>2.2.4 Improving competitiveness in the horticulture sector</p> <ul style="list-style-type: none"> • Development, lead by PHDEC, of PAKGAP and its pilot implementation in kinnow and mango sectors. Provision of associated training. • Development and dissemination of codes of practice • Identification of options for value-added production in mango and kinnow sectors including branding and GI potential <p>2.2.5 Improving Consultancy Services and certification of enterprises</p> <ul style="list-style-type: none"> • Training and qualification of trainers / consultants in management systems (quality, environment, food safety, GAP, CSR) in collaboration with NPO • Preparation of 40 enterprises to achieve certification in above management systems • Assistance to 10 selected enterprises to achieve CE Marking of products <p>2.2.6 Development of business arrangements along the international supply chain</p> <ul style="list-style-type: none"> • Identification of key bottlenecks for the establishment of business linkages • Support for direct linkage of targeted clusters of local producers with international buyers • Strengthening PIFFA/NTTFC and sector organisations to identify and promote cost effective freight forwarding and export logistics 	<p>International Experts 34.75 p/month National Experts 89.75 p/month Trainings abroad 505 p/day Local Per diems 1054 p/day International Travels 77 trips Local travels 65 trips Training/Workshops 148 p/days Local Subcontracts International Subcontracts Materials Operational Cost (including admin cost):</p> <p>TOTAL</p>	<p>278,000 143,600 136,350 184,450 115,500 65,000 5,920 199,600 145,000 23,550 198,850</p> <p>1,495,820</p>	<p>Enterprises and government agencies have financial capacity for investment in improved infrastructure and human capital</p> <p>Professional integrity does not undermine improved controls</p> <p>Commitment on the part of beneficiaries to nominate suitable staff for training and to secure tenure of trained staff</p>

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
Activities	<p>Component 2.3: Improving conformity assessment infrastructure and services</p> <p>2.3.1 Improving and streamline standardization and technical regulations practices</p> <ul style="list-style-type: none"> • Consultations on development of voluntary standardization and technical regulations • Operationalization of PSQCA National Enquiry Point as National Notification Body • Strengthening of Consumer Liaison Office (CLO) at PSQCA to enhance the participation of private sector/consumers in standards setting <p>2.3.2 Traceable national metrology services</p> <ul style="list-style-type: none"> • Development of internationally traceable measurement and calibration capabilities in the areas of mass, length, volume, temperature, pressure and electrical quantities (accreditation of 6 metrology labs) • Support to achieve internationally recognized accreditation • Support to NPSL to achieve MRA signatory status with CIPM • Development of National PT Scheme at NPSL <p>2.3.3 Internationally recognized national accreditation services</p> <ul style="list-style-type: none"> • Strengthen the pool of external assessors • Support to PNAC to achieve MLA signatory status with IAF • Accreditation National Proficiency Testing (PT) Scheme <p>2.3.4 Support to testing laboratories</p> <ul style="list-style-type: none"> • Support to achieve internationally recognized accreditation of 24 testing laboratories • Facilitate in PT participation, provision of Certified Reference Material /Reference cultures to the testing laboratories targeted for accreditation • Development of business plans to commercialize testing services of the laboratories to ensure sustainability 	<p>International Experts 119 p/month National Experts 108 p/month Local Per diems 135 p/day International Travels 42 trips Local travels 329 trips Training/Workshops 1703 p/days Training abroad 420 trainings Equipment 107,000 Publication 20,000 Local Subcontract 130,000 International Subcontract 1,383,000 Operational Cost (including admin cost): 342,640</p> <p>TOTAL</p>	<p>626,000 324,000 23,630 63,000 329,230 68,110 113,400 107,000 20,000 130,000 1,383,000 342,640</p> <p>3,530,490</p>	<p>GoP commitment and investment in developing/upgrading laboratory infrastructure and procurement of requisite equipment</p> <p>Commitment on the part of beneficiaries to nominate suitable staff for training and to secure tenure of trained staff</p>
	Coordination of Overall Programme	<p>National Expert 54 p/month Admin/Support Staff 321 p/month Local per diem 183 p/day Local travel 18 trips Training/Workshops 158 per person International Subcontract 2 contracts Equipment 166,000 Material 91,560 Operational Cost (including admin cost): 180,830</p> <p>TOTAL</p>	<p>162,000 228,840 32,100 18,000 6,300 80,000 166,000 91,560 180,830</p> <p>974,630</p>	

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
	Intervention Logic for Component 3: Strengthening of intellectual property rights	Objectively Verifiable Indicators of Achievement	Sources and Means of Verification	Assumptions
Overall Objective	To contribute to poverty reduction and sustainable development in Pakistan	Poverty incidence rate declines to 21.6% by 2014 Pakistan HP Index increased to 1.5% by 2014	Statistics from GoP, World Bank, ADB UN HDI	
Programme Purpose	Increased exports and economic integration of Pakistan into the global and regional economy	Exports as a share of GDP increase to 32.1% by 2014 Volume, value and unit value of exported goods to EU, SAFTA, China and Malaysia increase by 5% by 2014 Comparative costs of exports falls by 05 points by 2014	Statistics from the GoP, EUROSTAT WB Cost of doing business survey	Pakistan's international financial position and domestic political and security situation remain stable
Expected Results	<p>3. Strengthened IP system facilitating increased investment and trade in IP protected goods and services</p> <p>3.1 Strengthened IP Institutions</p> <p>3.2 Strengthened IP Legislation and Policy Framework</p> <p>3.3 Improved enforcement of IPRs</p> <p>3.4 Increased use of IP system by businesses and research institutions</p>	<ul style="list-style-type: none"> • Adoption of results based management practices in IPO-Pakistan by 2014 • 3 IP officials with LLM degrees by 2013 • Report on validation of TM and Patents Administration procedures by 2012 • Examiners trained on TM and Patent examination by 2012 • Upgraded IT infrastructure established by 2014 • Upgraded IP automation system (WIPO IPAS Java) deployed and streamlined IP procedures automated by 2012 • IP records digitized and IP databases completed by 2014 • Back-office administrative systems identified and first phase implemented by 2013 • 4 IPO IT officials with certificates in technical skills by 2013 • Availability of online IP services and interfaces by 2014 • CMO study available by 2012 • Position paper on utility models by 2013 • National stakeholders consultations on Gis and PBRs by 2013 • National stakeholders consultations on Madrid System and PCT by 2013 • National Roundtable on IP Policy by 2013 • Judges colloquium by 2012 • Up to six (6) master trainers trained from FIA/Police and Customs Academy by 2012 • IP enforcement training courses commenced by Police, Customs and Judicial Academies by 2012 • Public information campaign (media briefings, provision of public awareness materials) commenced by 2011 • Up to 15 national trainers on IP for businesses trained by 2012 • Roundtable on IP and trade policy by 2012 • IP modules in up to six public-private consultations by 	<ul style="list-style-type: none"> - IPO reports - Feedback from stakeholders - IP web portal 	<p>Pakistan's trade partners do not turn to protectionist policies</p> <p>International market demand for export products remains stable</p>

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
		2013 <ul style="list-style-type: none"> • National Roundtable on TMOs by 2013 E-forum on technology transfer to industry established 		

	Project Intervention Logic	Means:	Estimated Costs (€):	Preconditions and Conditions
Activities	<p>3.1 Strengthening IP Institutions</p> <ul style="list-style-type: none"> Strengthening IP policy and planning capacity Strengthening IP administration and examination capacity Upgraded technical infrastructure Streamlining and automation of IP procedures Digitization of IP Records Upgraded IP Automation Systems Improved Administrative Management Systems Improved technical skills and expertise to support automation Availability of Online Services & Interfaces Study on establishment of a Collective Management Organization <p>3.2 Strengthening IP Legislative and Policy Framework</p> <ul style="list-style-type: none"> Development and implementation of new IP laws Facilitation of Accession to International IPR Agreements Inclusive planning and policy development <p>3.3 Improving enforcement of IPRs</p> <ul style="list-style-type: none"> Training of trainers from the Customs, Police/FIA and colloquium for judges <p>3.4 Increasing use of IP systems by businesses and research institutions</p> <ul style="list-style-type: none"> Improved Public Awareness of IP Improved businesses awareness of IP Strengthened IP linkages between Universities/Research Institutions and Industry 	<p>International Experts 42p/month National Experts 9.5 p/month Mission Cost 95.5 trips Trainings & Study Tours 227.5 p/days Workshops & Seminars 22.75 p/days Equipment Publications International and Local Subcontracts Overheads (including admin cost)</p>	<p>224,537 14,427 288,528 147,702 32,535 25,000 32,180 210,407 187,147 1,163,000</p>	<p>Local logistical support and effective coordination by IPO-Pakistan</p> <p>Establishment of a main focal point at the IPO for day to day coordination of program activities; dedicated IT focal points at the Registries for automation activities</p> <p>Commitment on the part of beneficiaries to nominate suitable staff for training and to secure tenure of trained staff</p> <p>Enterprises and government agencies have financial capacity for investment in improved infrastructure and human capital</p> <p>Political will exists for legal and institutional changes; Legislation approved by Parliament</p> <p>Pakistan's institutions and enterprises maintain investment in basic research and development</p>

Annex II: Monitoring and Evaluation Plan

Indicator No.	Monitoring variable	Definition	Unit	2009 Base	Target				Source
					2011	2012	2013	2014	
1	Strengthening of PITAD's institutional capacity	Assessment of PITAD's technical materials and publications and procurement of the required items	Binary	No	Yes	Yes	Yes	No	PITAD Annual report/ International training institute report
2	Training rate for PITAD (trainers and researchers) and LUMS, IBA, TDAP (researchers) staff	No. of trade policy officers graduating (exam based testing) from PITAD LUMS, IBA and TDAP	No./year	NIL	6	6			PITAD annual report / LUMS, IBA and TDAP reports
3	Trade policy research capacity	No. of trade policy research projects produced by LUMS, IBA, and TDAP which are deemed to be of high standard through peer review mechanism	No./year	NIL	2	3			PITAD annual report / LUMS, IBA and TDAP reports / evaluators' reports
4	Trade policy course development	No. of PITAD's trade policy modules and research projects developed/enhanced and judged to be of a high standard by external review	No./year	NIL	3	3			PITAD reports/ international training institute evaluation reports
5	Short training course given by PITAD to government officers	No. of short training (2 to 3 days) given by PITAD to government officers	No./year	NIL	1	3	2		PITAD annual report
6	Local institutions rate of research studies for PPDs	No. of research studies carried out and are approved through peer review mechanism	No./year	NIL	4	5	6		PITAD/evaluator reports/ Steering committee reports
7	Series of public-private dialogues	No. of PPDs held	No./year	NIL	3	3	3	1	PITAD annual report; Steering committee reports
8	STP enriched and MOU signed between PITAD and International training institute	MOU signed between PITAD and International training institute	Binary	NIL	Yes	No	No	No	PITAD report
9	EU equivalence (fishery product controls)	Access to EU market for Pakistani fishery products	Binary	No	No	Yes	Yes	Yes	DG SANCO
10	EU RASFF alerts rate	No. of EU RASFF alerts for products of plant origin/year	No/year	22.6	15	10	5	0	DG SANCO
11	No. of fishery product export enterprises with access to EU market	No. of establishments compliant with EC market requirements	No.	NIL	6	5	5		MFD
12	SPS compliance rate (horticulture)	% of enterprises with full & minor non-compliance/no. enterprises under control	%	14	25	50	75	100	TRTA II CA survey
13	SPS compliance rate fisheries sector	% of enterprises with full & minor non-compliance/no. enterprises under control	%	13.4	25	50	75	100	TRTA II CA survey
14	Market limitation rate (in horticulture)	% of enterprises reporting market access limits due to SPS controls	%	96	75	50	25	0	TRTA II Enterprise survey (2)
15	Market limitation rate fisheries sector	% of enterprises reporting market access limits due to SPS controls	%	40	30	20	10	0	TRTA II Enterprise survey (2)
16	Productivity benchmarking implementation rate	Total no. of sectors with productivity benchmarking plans in implementation	No.	0	1	2	3	5	NPO Report
17	Change in value added in seafood export sector	Av. Export value (Value export (\$)/Volume export (kg))	US\$/kg	1.74	1.77	1.81	1.85	1.89	National Statistics
18	Change in value added in horticulture export sector	Av. Export value (Value export (\$)/Volume export (kg))	US\$/kg	0.68	0.69	0.70	0.72	0.74	National Statistics
19	Sustainable accreditation services offered by PNAC	International recognition by ILAC (MRA) and IAF (MLA)	Binary	Yes No	Yes No	Yes Yes	Yes Yes	Yes Yes	PNAC Annual report
20	No. of laboratories with accreditation to ISO 17025	Internationally recognized certificate	No.	20	20	20	35	50	PNAC Annual report
21	No. of metrology laboratories with accreditation to ISO 17025	Internationally recognized certificate	No	NIL	1	2	3	6	NPSL/PNAC Report
22	Traceable measurement and calibration services provided by NPSL	International recognition by CIPM (MRA)	Binary	No	No	No	Yes	Yes	NPSL report
23	Quality certification rate	% of fishery/horticulture enterprises certified	%	9	11	13	15	17	TRTA II Enterprise survey (2)
24	Digitization of IP records and completion of IP databases	% of IPO database records available in verified, digital, searchable formats (overall estimate for patents, trademarks, designs and copyright records)	%	20	25	50	90		IPO Pakistan annual report
25	IP legislation/policy formulation capacity	Number of papers on IP legislation/policy issues produced by experts	No.	0	0	2	2		IPO Pakistan annual report
26	Online IP services for IP users	Availability of key e-services offered by the new IPO web portal (public search on IP databases, application status query, e-filing, IP data exchange, online fees payment, e-notifications, etc.)	No	0	0	3	3		IPO Pakistan annual report
27	IP registration efficiency	Time taken to process IP applications from reception to registration	% decrease in months	30 month	5	10	10		IPO Pakistan annual report
28	Poverty reduction	Poverty rate	% of population	22.6				21.6	UN Human & Income Poverty Report
29	Rate of human development	Annual rate of change of Pakistan HD Index	%/year	1.3				1.5	NDP 2010 Asia Pacific HDI Report
30	Exports as share of GDP	% contribution of exports to GDP	%	27.1				32.1	UN Commodity Trade/ FBS

Annex III: Annual Work Plan for first year

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
COMPONENT 1: Trade Policy Capacity Building													
Inception Phase (IP)	ITC												
- Development of IP Guidelines	ITC												
- Development of content and format of Inception Report (IR)	ITC												
- Preparation of initial draft of IR	ITC												
- Expert missions	ITC												
- First draft of IR	ITC												
- Second/Final draft of IR	ITC												
- Presentation of draft of IR at National Workshop	ITC												
- Presentation of Final IR at PSC meeting for official approval	ITC												
Programme Implementation Phase													
1.1 Strengthening of PITAD's institutional capacity													
- Assessment of PITAD's equipment needs													
- Provision of updated tools and publications													
- Advice on these tools and publications													
1.2 Strengthening of PITAD's and other research institutes' expertise on trade policy													
- Needs assessment of ministries and implementing governmental agencies													
- Survey of key institutes, LUMS, IBA, and TDAP, to obtain their current expertise and potential for trade policy research													
- Review and enrichment of Specialized Training Programme and other government career development programmes delivered by PITAD so as to align with international best practices													
- Upgrading and development of PITAD's training modules and initiate research projects by TDAP, LUMS and IBA staff members under international mentoring													
- Training of Pakistani trainers and researchers by international training institute for ad hoc courses													
1.3 Strengthening of Government officers' capacity on specific trade policy and international trade negotiations													
- Series of training for policy makers conducted by PITAD with technical support as appropriate, from IBA, TDAP and LUMS													
1.4 Conducting research studies contributing to the development of a national export strategy													
- Studies carried out to support the public private dialogue undertaken under output 1.5 in order to establish a coherent framework for trade policy and regulatory reform for a national export strategy; peer review mechanism established													
1.5 Fostering public-private dialogue for a coherent national export strategy													
- Orientation on the framework/methodology for developing national export strategy													

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
- Series of public-private consultations													
COMPONENT 2: Export Development through Improvement of Quality Infrastructure													
Result Area 2.1: Strengthening SPS Controls													
Inception Phase (IP)	UNIDO												
- Development of IP Guidelines	UNIDO												
- Development of Content and Format of Inception Report (IR)	UNIDO												
- Sector Study in Horticulture (Kinnow and Mango)	UNIDO												
- Sector Study in Fisheries	UNIDO												
- Preparation of initial draft of IR	UNIDO												
- International Expert missions in SPS	UNIDO												
- First draft of IR	UNIDO												
- Second/Final draft of IR	UNIDO												
- Presentation of draft of IR at National Workshop	UNIDO												
- Presentation of Final IR at PSC meeting for official approval	UNIDO												
Programme Implementation Phase													
2.1.1 Strengthening the SPS management system													
- SPS Policy Development	UNIDO/ NAPHIS												
- SPS Policy workshops (3) and drafting of NAPHIS Bill	UNIDO/ NAPHIS												
- Development of New Food Safety and Phytosanitary Laws (2)	UNIDO/ NAPHIS												
- Development of Model Technical Regulations (3)	UNIDO/ NAPHIS												
- Strengthening of SPS Management Capacities	UNIDO/ NAPHIS												
- SPS systems planning studies	NAPHIS												
2.1.2 More effective application of food safety controls													
- Development of inspection guidelines, manuals and checklists	UNIDO/ NAPHIS												
- Provision of inspection equipment	UNIDO/ NAPHIS												
- Building technical capacity of food safety inspection staff	UNIDO/NAPHIS/ MoLDD/Provincial Govts.												
Result Area 2.2 Improve Quality, Value-Addition & Compliance													
Inception Phase (IP)	UNIDO												
- Development of IP Guidelines	UNIDO												
- Development of Content and Format of Inception Report (IR)	UNIDO												
- Sector Study in Industrial Products (textile & garments, sporting goods and apparel, fans, surgical instrument, cutlery)	UNIDO												
- Preparation of initial draft of IR	UNIDO												

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
- International Expert mission in Value Added Productivity	UNIDO												
- First draft of IR	UNIDO												
- Second/Final draft of IR	UNIDO												
- Presentation of draft of IR at National Workshop	UNIDO												
- Presentation of Final IR at PSC meeting for official approval	UNIDO												
Programme Implementation Phase													
Result Area 2.2 Improve Quality, Value-Addition & Compliance													
2.2.1 Strengthening the capacity of public agencies to enhance competitiveness													
- Design sector competitiveness benchmarking system (CBS)	UNIDO/NPO												
- Develop capacity of agencies to use lean tools (1 training of 6 participants)	UNIDO/NPO/SMEDA												
- Pilot CBS/lean and provide support for replication	UNIDO/NPO/SMEDA/TEVTA												
- Storage, analysis & publication of data	UNIDO/NPO												
- Monitoring of CBS	UNIDO/NPO												
- Links to WNPO	UNIDO/NPO												
- Vocational Skills training development	UNIDO/NPO/TEVTA												
- Research on approaches to vocational skills development (1 case study)	UNIDO/TEVTA												
- Academic interchange	UNIDO/TEVTA												
- Update vocational training courses of TEVTA	UNIDO/TEVTA												
2.2.2 Improving competitiveness in selected pro-poor manufacturing sectors													
- Pilot application of Improved manufacturing practices(Key drivers) in 2 groups of enterprises	UNIDO												
- Build manufacturing capacity to meet market requirements	UNIDO/NPO/SMEDA/TDAP												
- Identification of Export requirements	UNIDO/TDAP												
- Firm level interventions	UNIDO/NPO												
- Identify interventions for value added production	UNIDO/TDAP												
2.2.3 Improving competitiveness in the fishery sector													
- Development of code of practice workshops (2)	UNIDO/ MFD/PSEA/ PFF												
- Code of practice workshop to get sector buy-in	UNIDO/ MFD/PSEA/ PFF												
- Dissemination of code of practice training	UNIDO/ MFD/PSEA/PFF												
- Monitoring of practice	UNIDO/ MFD/PSEA/ PFF												
- Oversight/Follow up	UNIDO/ MFD/PSEA/ PFF												
- Technical framework for landing sites in Balochistan	UNIDO/Balochistan Govt												
- Design spec of Baba Bhit landing site	UNIDO/Sindh Govt												

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
- Pilot operation of landing site	UNIDO/Provincial Govts												
- Feasibility study for Korangi business park	UNIDO/ KoFHA												
- Options for value added production	UNIDO/PSEA												
2.2.4 Improving competitiveness in the horticulture sector													
- Support PHDEC in developing PAKGAP and pilot implementation in kinnow & mango sectors	UNIDO/ PHDEC/PSQCA												
- Dissemination of code of practice to farmers	UNIDO/ PHDEC/TDAP												
- Implementation of standards	UNIDO/PHDEC												
- Options for value added production	UNIDO/ PHDEC												
- Monitoring	UNIDO/PHDEC												
- Oversight/Follow up	UNIDO/ PHDEC												
2.2.5 Improving consultancy services and certification of enterprises													
- Training and qualification of trainers / consultants (30) in management systems (quality, environment, food safety, GAP, CSR) in collaboration with NPO	UNIDO/NPO/CBs												
- Preparation of 40 enterprises to achieve certification in above management systems	UNIDO/CBs/Trade Associations												
- Assistance to 10 selected enterprises to achieve CE Marking of products	UNIDO/CBs/Trade Associations												
2.2.6 Development of business arrangements along the international supply chain													
- Facilitate business linkages	UNIDO/ TDAP/Trade Associations												
- Trade Corridor visits from delegations	UNIDO/ PHDEC/TDAP												
- Development of freight forwarding	UNIDO/ TDAP/PIFFA												
Result Area 2.3 Strengthening Conformity Assessment Infrastructure and Services													
Inception Phase (IP)	UNIDO												
- Development of IP Guidelines	UNIDO												
- Development of Content and Format of Inception Report (IR)	UNIDO												
- Preparation of initial draft of IR	UNIDO												
- Fielding of International Expert mission in Lab Accreditation	UNIDO												
- International Expert mission in Conformity Assessment	UNIDO												
- First draft of IR	UNIDO												
- Second/Final draft of IR	UNIDO												
- Presentation of draft of IR at National Workshop	UNIDO												
- Presentation of Final IR at PSC meeting for official approval	UNIDO												
Programme Implementation Phase													

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
2.3.1 Improving and streamline standardization and technical regulations practices													
- Consultations on development of voluntary standardization and technical regulations	UNIDO/PSQCA/Consumer Associations												
- Operationalization of PSQCA National Enquiry Point	UNIDO/PSQCA												
- Strengthening of Consumer Liaison Office at PSQCA	UNIDO/PSQCA/CLO												
2.3.2 Traceable national metrology services													
- Development of traceable temperature, measurement and calibration capabilities	UNIDO/NPSL												
- Assistance to achieve internationally recognized accreditation of mass metrology laboratory	UNIDO/NPSL												
- Support to NPSL to achieve MRA signatory status with CIPM	UNIDO/NPSL												
- Development of National PT Scheme	UNIDO/NPSL/PNAC												
2.3.3 Internationally recognized national accreditation services													
- Strengthen the pool of external assessors	UNIDO/PNAC												
- Support to PNAC to achieve MLA signatory status with IAF	UNIDO/PNAC												
- Accreditation National Proficiency Testing (PT) Schemes	UNIDO/PNAC/NPSL												
2.3.5 Support to testing laboratories													
- Support to 20 accredited testing laboratories (surveillance, PT, CRMs, reference cultures & calibration)													
- Support to achieve internationally recognized accreditation of 24 testing laboratories	UNIDO/Laboratories												
- Facilitate in PT participation, provision of Certified Reference Material /Reference cultures to the testing laboratories targeted for accreditation	UNIDO/Laboratories												
- Assistance in development of business plans to commercialize testing services of the laboratories to ensure sustainability (2 Training Workshops)	UNIDO/Laboratories												
COMPONENT 3: Strengthening of the Intellectual Property Rights system													
Inception Phase (IP)	WIPO												
- Development of IP Guidelines	WIPO												
- Development of Content and Format of Inception Report (IR)	WIPO												
- Preparation of initial draft of IR	WIPO												
- Expert missions	WIPO												
- First draft of IR	WIPO												
- Second/Final draft of IR	WIPO												
- Presentation of draft of IR at National Workshop	WIPO												
- Presentation of Final IR at PSC meeting for official approval	WIPO												
Programme Implementation Phase													
3.1 Strengthening IP Institutions	WIPO/IPO												

Activities	Lead Responsible Agency	2010						2011					
		July	August	September	October	November	December	January	February	March	April	May	June
- Strengthening IPO's policy and planning capacity	WIPO/IPO												
- Strengthening IP administration and examination capacity	WIPO/IPO												
- Upgrading ICT infrastructure	WIPO/IPO												
- Streamlining and automation of IP procedures	WIPO/IPO												
- Digitization of IP Records	WIPO/IPO												
- Upgrading IP Automation Systems	WIPO/IPO												
- Improving financial/human resources management systems	WIPO/IPO												
- Improving technical skills and expertise to support automation	WIPO/IPO												
- Developing online IP Services & Interfaces	WIPO/IPO												
- Conducting study on the establishment of Collective Management Organization	WIPO/IPO												
3.2 Strengthening IP Legislative and Policy Framework													
- Development and implementation of New IP Laws	WIPO/IPO												
- Facilitation of Accession to International IPR Agreements	WIPO/IPO												
- Inclusive planning and policy development	WIPO/IPO												
3.3 Improving enforcement of IPRs													
- Organizing an IP colloquium for the judiciary	WIPO/IPO/JUDICIARY												
- Training of trainers from the Customs, Police/FIA and the Judicial Academies	WIPO/IPO/Academies												
- Support for training courses for Customs, Police/FIA and the Judicial Academies	WIPO/IPO/Academies												
3.4 Increasing use of IP systems by businesses and research institutions													
- Improved Public Awareness of IP	WIPO/IPO												
- Improved businesses awareness of IP	WIPO/IPO/SMEs												
- Strengthened IP linkages between Research Institutions and Industry	WIPO/IPO/PCSIIR/NUST												

Annex IV: 1st year Annual Resource Schedule and Budget

Component 1: Trade Policy Capacity Building (in EURO)

Expenses	Total Costs (in EUR)	Year 2010						Year 2011					
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1. Human Resources													
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)	22,000		2000	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
1.1.1 Technical													
1.1.2 Administrative/support staff													
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)	43,450			1800	1800	6500	6500	7975	5500	1800	1800	7975	1800
1.3 Per diems for missions/travel													
1.3.1 Abroad (staff assigned to the Action)	6,000				2000		2000		1000				1000
1.3.2 Local (staff assigned to the Action)	7,640			800	800	800	800		1480		1480		1480
Subtotal Human Resources													
2. Travel													
2.1. International travel	19,590				3250		6500		4920				4920
2.2 Local transportation	6,550			1625		1625			1100		1100		1100
Subtotal Travel													
3. Equipment and supplies													
3.1 Purchase or rent of vehicles	6,000		600	600	600	600	600		600	600	600	600	600
3.2 Furniture, computer equipment	14,150		2000	2000	2000	2000	2000		830	830	830	830	830
3.3 Machines, tools...													
3.4 Spare parts/equipment for machines, tools													
3.5 Other													
Subtotal Equipment and supplies													
4. Local office													
4.1 Vehicle costs													
4.2 Office													
Rent	9,075		990	990	990	990	990		825	825	825	825	825
Fit-out cost	9,450		9450										
4.3 Consumables - office supplies	5,500		600	600	600	600	600		500	500	500	500	500
4.4 Other services (tel/fax, electricity/heating, maintenance)	6,375		900	900	900	900	900		375	375	375	375	375
Subtotal Local office													
5. Other costs, services													
5.1 Publications													
5.2 Studies, research													
5.3 Expenditure verification													
5.4 Evaluation costs													
5.5 Translation, interpreters													
5.6 Financial services (bank guarantee costs etc.)													
5.7 Costs of conferences/seminars	23,350				1500	2200	6000		6825				6825
5.8. Visibility actions	6,460				500	500	2000		1730				1730
5.9 International Sub contracts	36,720				12000	6000	6000	6360				6360	
5.10 Local Sub contracts	22,300				11300	5500	5500						
5.11 Software and documents	22,700			4750	4750	4750	4750	3700					
Subtotal Other costs, services													
6. Other													
6.1 PSC meetings													
Subtotal Other													
7. Subtotal direct eligible costs of the Action (1-6)													
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)													
9. Total direct eligible costs of the Action (7+ 8)													
10. Administrative costs (maximum 7% of 9, total direct eligible costs of the Action)	21,057		2235	2235	2235	2235	2235	1647	1647	1647	1647	1647	1647
11. Total eligible costs (9+10)	288,367	-	18775	18300	47225	37200	49375	21682	29332	8577	11157	21112	25632

Component 2: Export Development through Improvement of Quality Infrastructure including Coordination (in EURO)

Expenses	Total Costs (in EUR)	Year 2010						Year 2011					
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1. Human Resources													
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)													
1.1.1 Technical	122,000	10167	10167	10167	10167	10167	10167	10167	10167	10167	10167	10167	10167
1.1.2 Administrative/ support staff	49,920	4160	4160	4160	4160	4160	4160	4160	4160	4160	4160	4160	4160
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff)	232,000	24000	8000	40000	24000	16000	24000	24000	16000	8000	12000	12000	24000
1.3 Per diems for missions/travel													
1.3.1 Abroad (staff assigned to the Action)	59,530				11906		11906	11906		11906		11906	
1.3.2 Local (staff assigned to the Action)	56,150	4679	4679	4679	4679	4679	4679	4679	4679	4679	4679	4679	4679
Subtotal Human Resources	519,600												
2. Travel													
2.1. International travel	39,830	4500	1500	7500	4500	2930	4200	4200	2500	1500	1500	1500	3500
	89,990	3502	2000	2000	3749	7499	3749	14998	14998	14998	7499	7499	7499
2.2 Local transportation										8			
Subtotal Travel	129,820												
3. Equipment and supplies													
3.1 Purchase or rent of vehicles	64,000	64000											
3.2 Furniture, computer equipment	80,400	50125						30275					
3.3 Machines, tools...													
3.4 Spare parts/equipment for machines, tools													
3.5 Other													
Subtotal Equipment and supplies	144,400												
4. Local office													
4.1 Vehicle costs	4,620	385	385	385	385	385	385	385	385	385	385	385	385
4.2 Office													
Rent	40,800	3400	3400	3400	3400	3400	3400	3400	3400	3400	3400	3400	3400
Fit-out cost	37,800	37800											
4.3 Consumables - office supplies	12,000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000
4.4 Other services (tel/fax, electricity/heating, maintenance)	30,000	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500	2500
Subtotal Local office	125,220												
5. Other costs, services													
5.1 Publications	4,000			2000									2000
5.2 Studies, research													
5.3 Expenditure verification													
5.4 Evaluation costs													
5.5 Translation, interpreters													
5.6 Financial services (bank guarantee costs etc.)													
5.7 Costs of conferences/seminars	31,540			4600	2600	2600	4600	2800	2600	2800	2600	3200	3140
5.8. Visibility actions	21,560	10000			14250	14250	14250	6560	14250	14250	14250	14250	5000
	445,720	26250	254250	14450	14250	14250	14250	14250	14250	14250	14250	14250	14250
5.9 International Sub contracts													
5.10 Local Sub contracts	50,000							20000				30000	
5.11 Software and documents													
Subtotal Other costs, services	552,820												
6. Other													
6.1 PSC meetings	2,000			1000									1000
Subtotal Other	2,000												
7. Subtotal direct eligible costs of the Action (1-6)	1,473,860												
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)													
9. Total direct eligible costs of the Action (7+ 8)	1,473,860	24648	292041	97841	87296	69570	88996	155280	76639	79745	64140	106646	86680
10. Administrative costs (maximum 7% of 9, total direct	97,670	8139	8139	8139	8139	8139	8139	8139	8139	8139	8139	8139	8139

Expenses	Total	Year 2010						Year 2011					
	Costs (in EUR)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
eligible costs of the Action)													
11. Total eligible costs (9+10)	1,571,530	254607	300180	105980	95435	77709	97135	163419	84778	87884	72279	114785	94819

Component 3: Strengthening of the Intellectual Property Rights System (in EURO)

Expenses	Total	Year 2010						Year 2011					
	Costs (in EUR)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
1. Human Resources													
1.1 Salaries (gross salaries including social security charges and other related costs, local staff)													
1.1.1 Technical													
1.1.2 Administrative/ support staff													
1.2 Salaries (gross salaries including social security charges and other related costs, expat/int. staff, local experts)	65,816					5,305	5,305	7,034	7,034	7,034	11,368	11,368	11,368
1.3 Per diems for missions/travel													
1.3.1 Abroad (staff assigned to the Action)	28,468			1,216	1,216	1,216	1,216	3,781	3,781	3,781	4,087	4,087	4,087
1.3.2 Local (staff assigned to the Action)	20,350				554	554	554	1,521	1,521	1,521	4,708	4,708	4,708
Subtotal Human Resources	114,634	-	-	1,216	1,771	7,076	7,076	12,336	12,336	12,336	20,163	20,163	20,163
2. Travel													
2.1 International travel	49,226			889	2,445	2,445	2,445	4,178	4,178	4,178	9,489	9,489	9,489
2.2 Local transportation	1,238							206	206	206	206	206	206
Subtotal Travel	50,463	-	-	889	2,445	2,445	2,445	4,384	4,384	4,384	9,695	9,695	9,695
3. Equipment and supplies													
3.1 Purchase or rent of vehicles													
3.2 Furniture, computer equipment													
3.3 Machines, tools...													
3.4 Spare parts/equipment for machines, tools													
3.5 Other													
Subtotal Equipment and supplies		-	-	-	-	-	-	-	-	-	-	-	-
4. Local office													
4.1 Vehicle costs													
4.2 Office													
Rent	9,900	825	825	825	825	825	825	825	825	825	825	825	825
Fit-out cost	9,450	9,450											
4.3 Consumables - office supplies	6,000	500	500	500	500	500	500	500	500	500	500	500	500
4.4 Other services (tel/fax, electricity/heating, maintenance)	6,804	567	567	567	567	567	567	567	567	567	567	567	567
Subtotal Local office	32,154	11,342	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892	1,892
5. Other costs, services													
5.1 Publications	-												
5.2 Studies, research	-												
5.3 Expenditure verification	-												
5.4 Evaluation costs	-												
5.5 Translation, interpreters	-												
5.6 Financial services (bank guarantee costs etc.)	-												
5.7 Costs of conferences/seminars	6,989			168	640	640	640	581	581	581	1,053	1,053	1,053
5.8. Visibility actions	-												
5.9 International Sub contracts	-												
5.10 Local Sub contracts	-												
5.11 Software and documents	-												
Subtotal Other costs, services	6,989	-	-	168	640	640	640	581	581	581	1,053	1,053	1,053
6. Other													
6.1 PSC meetings	-												
Subtotal Other													
7. Subtotal direct eligible costs of the Action (1-6)	204,240	11,342	1,892	4,166	6,748	12,053	12,053	19,193	19,193	19,193	32,803	32,803	32,803
8. Provision for contingency reserve (maximum 5% of 7, subtotal of direct eligible costs of the Action)	-												
9. Total direct eligible costs of the Action (7+ 8)	204,240	11,342	1,892	4,166	6,748	12,053	12,053	19,193	19,193	19,193	32,803	32,803	32,803

10. Administrative costs (maximum 7% of 9, total direct eligible costs of the Action)	14,297	794	132	292	472	844	844	1,344	1,344	1,344	2,296	2,296	2,296
11. Total eligible costs (9+10)	218,537	12,136	2,024	4,457	7,220	12,896	12,896	20,537	20,537	20,537	35,099	35,099	35,099

Annex V: Visibility plan

Overview

The programme will launch a visibility campaign of the TRTA II as well as for visibility of the donor (EC). Promotional tools will include:

- nomination of PMO staff member as responsible for public relation activities
- establishment of TRTA website
- developing and maintaining database of stakeholders
- establishment of a quarterly email newsletter
- publication of brochures on programme launch, special and final events
- distribution of calendars and memorabilia items

TRTA II Website

The website shall be designed as a multi-faceted tool for information flow and communication between the public, stakeholders, beneficiaries and programme implementers. All activities concerned with the programme will be posted in the website, including planned activities, calendar of events, programme documents and newsletters. Studies, surveys and publications produced under TRTA will be posted on the site.

The website will also serve as mechanism for receiving feedback and comments from public and private sector stakeholders as well as others concerned with the programme. The website will be maintained and updated by the PMO and designated programme staff at UNIDO Headquarters.

Stakeholder database

A database of stakeholders will be established to include beneficiaries, implementing agencies, donors and other interested parties. Interested parties can register via this website. The database will provide the foundation for communication with stakeholders.

Establishment of a quarterly email newsletter

The PMO will prepare and distribute a quarterly e-newsletter to stakeholders and concerned parties. The focus will be trade issues of interest to Pakistani stakeholders. Other development partners and programmes will be invited to report on their related activities. Programme activities and events will also be covered. The programme should become a useful source of meaningful information for the benefit of stakeholders.

Other activities

- Press releases will be published on an ad hoc basis.
- All materials will exhibit the logos of the donor (EU) and the main and subcontracted implementing agencies. The EU logo will also be displayed at public meetings, seminars and conferences as well as in products, material and publications produced under the programme. Publicity and visibility activities and material will also be featured in the print and electronic media.
- The programme will maintain compliance with EC guidelines for visibility. The newly approved EC-UN guidelines for visibility will also be followed.

Annex VI: Phase out plan

The last four months of the operational implementation phase of the programme will be dedicated to phasing out activities and to preparing for the post-programme situation. The delivery of inputs for TRTA II implementation activities will finish before the start of the phase out period. Arrangements shall be made with local counterparts for continued operation of the TRTA website beyond the programme period.

During phase out, special focus will be placed on any additional measures required to ensure the sustainability of the TRTA II interventions, particularly those relating to institutional capacity development.

Plans shall be developed during the phasing out period for proper transfer of programme equipment to Government and beneficiary institutions.

A **Final Event** shall be held during the phasing out period to take full stock of the results and outcomes of the programme and establish success factors for sustainability of programme achievements.

Annex VII: Terms of Reference of Programme Steering Committee (PSC)

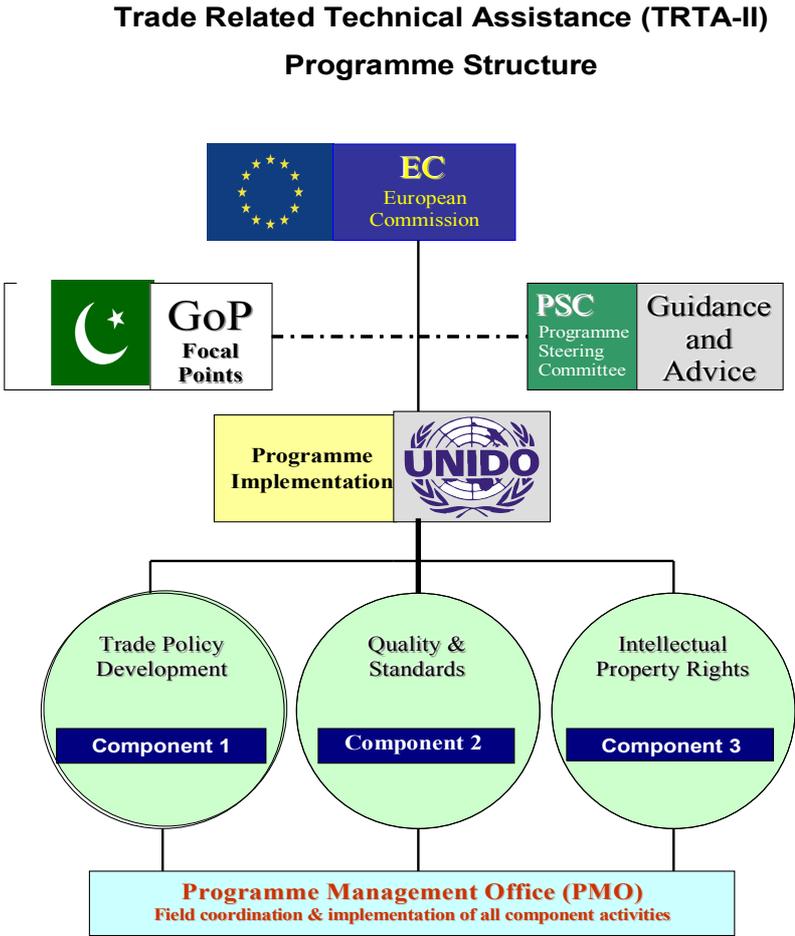
1. Background

The European Commission (EC) approved funding of a successor TRTA programme to build on and complete the interventions and capacity building process initiated under TRTA I from 2004-2007. The Three Components of TRTA II programme constitute:

- Component 1: Trade policy capacity building
- Component 2: Export development through improvement of quality infrastructure
- Component 3: Strengthening of the intellectual property rights system

The TRTA II Financing Agreement and Contribution Agreement provide for establishment of a Programme Steering Committee (PSC) as a strategic governing structure of the programme. A similar arrangement was provided for the first phase of TRTA implemented from 2004-2007. The Terms of Reference (TOR) of the PSC is envisaged to be elaborated during the Inception Phase.

The structure of the TRTA II programme featuring the PSC is depicted in the chart below:



2. Responsibility

The Programme Steering Committee (PSC) will:

- Guide and oversee the overall direction and policy of the TRTA II programme
- Validate the strategic approach and thrust of the programme of activities and programme delivery
- Review progress reports of the three Components of the programme
- Approve the Annual Work Plans (AWPs) of the three Components of the programme
- Promote active participation of stakeholders from the public and private sectors in implementation of the programme of activities
- Promote coordination of TRTA II programme of activities with those of other trade related donor interventions in Pakistan

3. Composition

The standing members of the PSC will constitute the following:

- Secretary of the Ministry of Commerce: **Co-Chair**
- Representative of the EU Delegation to Pakistan: **Co-Chair**
- Representative of the Ministry of Science and Technology
- Representative of the Ministry of Industries and Production
- Representative of the Ministry of Food and Agriculture
- Representative of the Ministry of Livestock and Dairy Development
- Representative of the Economic Affairs Division
- Director General of Intellectual Property Organization of Pakistan
- Director General of Pakistan Institute of Trade and Development
- Representative of the Federation of Pakistan Chambers of Commerce & Industry
- Representative of Pakistan Horticulture Export Development Company
- Representative of Pakistan Fisheries Exporters Association

The Co-Chairs may agree to invite, as required, representative from the public and private sectors to participate in the deliberations of the PSC as observers.

The representatives of the implementing agency, i.e. UNIDO, will be invited to all the meetings of the PSC and can be accompanied by subcontracted implementing agencies.

4. Agenda

Each meeting of the PSC shall have a structured agenda to guide the deliberations and proceedings of the meeting. The agenda shall be agreed between the Co-Chairs.

5. Secretarial Functions

The Secretariat of the PSC will be conducted by the TRTA/Programme Management Office (TRTA/PMO). It will provide all requisite logistic and secretarial services to facilitate the work of the PSC. In particular, the Secretariat shall:

- prepare a provisional agenda for adoption by the PSC meeting
- prepare all documents relevant to the agenda items
- prepare draft minutes and circulate for comments by PSC members
- prepare the final version of the minutes for approval by the PSC Co-Chairs

6. Frequency of Meetings

The PSC shall meet twice a year, preferably at the beginning and middle of the calendar year. Extraordinary meeting of the PSC may be convened by the Co-Chairs, when found appropriate.

7. Convening of Meeting

The meeting of the PSC shall be convened by MoC representing the Government of Pakistan. A letter convening the PSC meeting and enclosing the provisional agenda of the meeting shall be sent out by the Mo to all standing and observer members including the implementing agency.

8. Venue

The meetings of the PSC shall be held in Islamabad.

9. Quorum

A simple majority of the standing members of the PSC shall constitute a quorum. Decisions of the PSC will be made by consensus.

10. Minutes

The TRTA/PMO, as Secretariat of the PSC, shall be responsible for the recording and preparation of the minutes of the PSC meetings.

Draft minutes will be circulated for comments by all members participating at the relevant meetings of the PSC and finalized for distribution by the TRTA/PMO incorporating comments received thereof and approved by the Co-Chairs.

These Terms of Reference of the TRTA II Programme Steering Committee (PSC) were approved by the First Meeting of the PSC on 30 September 2010.