### SANITARY AND PHYTOSANITARY INTERVENTIONS BY THE EASTERN AFRICA GRAIN COUNCIL

Presentation at the EAC Public-private Sector Seminar on WTO Agreements on TBT and SPS

21<sup>ST</sup> - 22<sup>ND</sup> March 2016, Nairobi, Kenya



### **Outline of the Presentation**

- 1. Overview of EAGC
- 2. SPS Issues in Grain Trade in East Africa
- 3. EAGC undertakings in addressing SPS & TBT issues
- 4. Options for addressing SPS/TBT challenges and increasing private sector participation

# 1. About EAGC

- Regional, non-profit, membership based organization for the Grain value chain in the Eastern and Southern Africa
- Established in 2006
- Objective: To facilitate efficient, structured and profitable grain trade in the Eastern Africa region for optimum stakeholder benefits
- Mandate in 10 countries in ESA region: Kenya, Tanzania, Uganda, Rwanda, Burundi, South Sudan, Ethiopia, DR Congo, Malawi and Zambia

### **EAGC Service Pillars**









A specialized Training and Capacity Building Division

of





Agricultural Trade Policy Advisory Forum for Eastern & Southern Africa

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# EAGC Partners



## 2. SPS Issues in Grain Trade in East Africa

- NTBs hinder grain trade in East Africa and increase transaction costs. Common NTBs include:
  - Lengthy import/export licensing procedures
  - Administrative barriers roadblocks, weighbridges
  - Import/export bans
  - Cess and other local govt charges
  - SPS and TBT provisions
- Consequently, key food staples are traded informally rather than formally
- Prevalence of informal trade increases food safety risks

# Case study: Typical trade requirements for grains

- Moving grains across borders in East Africa will typically require:
  - i. Phytosanitary certification
  - ii. Quality certification
  - iii. Pre-Shipment Verification of Conformity
  - iv. Certificate of Origin
  - v. Both Import and Export Permits
- Additional requirements (depending on country) may include:
  - i. Radiation certificate
  - ii. Non-GMO certification
- Typical time required to get all documents: approx. 3 weeks
- Cost implication: \$3,000-\$5,000 per transaction/consignment (including fees, time and personnel used to follow up the requirements)

### **Current SPS Issues include:**

- 1. Prevalence of aflatoxin
- 2. Maize Lethal Necrosis Disease
- 3. SPS certification for grain imports and exports
- 4. Application of Staple Foods Grades and Standards
- 5. Seed Trade Regulations

# 3. EAGC undertakings in addressing SPS & TBT issues

#### i. Harmonised Staple Foods Standards (EAS 2013)

- **Purpose**: to facilitate trade in commonly traded staple foods and food products by applying a uniform Standard in all EAC States
- Focus mainly on quality issues, but also provide provisions for SPS/food safety, e.g. foreign matter limits, aflatoxin and fumonisin limits and MRLs

# Timeline – Harmonisation and Implementation of Staple Foods Standards

Dec 2013: Gazettement by EAC 2015: Gap analysis

on implementation of Stds, validation and adoption of recommendations by EAC Feb 2016: review process initiated

2010 – Nov 2012: negotiation and harmonisation

# EAGC undertakings in addressing SPS & TBT issues (cont'd)

- ii. Capacity Building and Training on Grades, Standards and food safety
  - Trainings conducted for Graders, farmers and financial institutions (as a component of structured trade financing course)
  - Currently working with EAC and NSBs to develop training curriculum for Graders
  - Use of Agribusiness Expos to sensitise farmers on Standards, food quality and food safety matters

## Country case study: Kenya

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- 8,000+ farmers trained on Standards and food safety considerations in 2015
  - 1,300 training materials (brochures) distributed to FBOs
  - Moisture meters, tarpaulins etc. supplied to 22
    FBOs (approx. 900 farmers)
- Result: trained farmers won supply contracts from WFP for approx. 700MT of maize

#### **Pictorial: Graders training in Action**







# Pictorial: Awareness creation on food quality and safety issues at Agribusiness Expo



# EAGC undertakings in addressing SPS & TBT issues (cont'd)

- iii. Policy Dialogue and Engagements at Regional Level
  - EAGC participation in the development of the Partnership for Aflatoxin Control in Africa (PACA) Strategy 2013-2022
  - SPS/TBT issues form part of the East African Business Council (EABC) Advocacy Agenda for 2016/17 through EAGC Submissions

# EAGC undertakings in addressing SPS & TBT issues (cont'd)

- iii. Policy Dialogue and Engagements at Regional Level (cont'd)
  - EAGC application for Observer Status at EAC
  - EAGC is Signatory to the COMESA CAADP Compact
  - Recent engagements with senior Policymakers in Kenya, Rwanda, Tanzania
  - Upcoming Regional Meeting to discuss Certification and Testing System for Rice of East African Origin

# EAGC undertakings in addressing SPS & TBT issues (cont'd)

#### iv. Cross-border Trade Facilitation

- Providing information on requirements for trade, documentations, licenses etc
- Currently developing a training course for SMEs on conducting cross-border trade to educate them on trade requirements
- EAGC GSoko warehouse certification and trade platform mainly for REGIONAL trade

4. Options for addressing SPS/TBT challenges and increasing private sector participation

- Continuous training of stakeholders and awareness creation on regional and international trade requirements
- ii. Regional approach:
  - Harmonizing SPS procedures and requirements in EAC
  - Operating regional testing and laboratory facilities
  - Facilitating participation by neighboring countries in review/formulating domestic SPS provisions

# Cont'd

- iii. Develop Grain Trade Logistics to improve grain handling and transportation
- iv. Enhancing trade facilitation –to move more trade into formal systems
- v. Increased Investments in Grain Handling
- vi. Industry Self regulation



#### **Thank You**

#### #WeAreEAGC

### Facilitating Efficient, Structured and Profitable Grain Trade