

EAC states urged to harmonise standards for most traded goods



Edible oil products are some of the most traded goods among EAC partner states. *File.*

By James Karuhanga

THE EAST African Community (EAC) partner states are being urged to expedite harmonisation of standards for the prioritised 20 most traded goods such as edible fats and oils so as to boost regional trade.

Compliance with standards and market requirements are prerequisites for successful market access and for improving the competitiveness of exporters in the region.

Lilian Awinja, the chief executive of the East African Business Council (EABC), says that although partner states have done a great job on harmonising several standards, many more standards are yet to be harmonised.

According to the apex body of business associations of the private sector and corporates from the EAC, partner states also should increase adoption rate for harmonised regional standards for the 20 most traded goods.

"There is still a low adoption rate of harmonised regional standards. This has led to costly and time-consuming re-testing processes or denial of market access," said Awinja.

According to Awinja, lack of a regional technical regulations framework contributes greatly to the application of national technical regulations, which do not have a common administrative approach neither in process nor in the list of standards declared as mandatory.

"This situation is exacerbated by a frequent misunderstanding amongst stakeholders on the different roles of regulatory authorities and national bureaus of standards and the lacking coordination among those institutions."

Raymond Murenzi, the director general of Rwanda Standards Board (RSB), said in the case of Rwanda and other partner states – besides Tanzania – there is no misunderstanding among stakeholders on the different roles of regulatory authorities.

"In Tanzania, there is a conflict between

their technical regulations and standards, which is not the case in Rwanda," Murenzi said.

Regarding the concern on low adoption rate of harmonised regional standards, Murenzi said that in Rwanda "we have adopted 70 per cent of harmonised standards."

The other 30 per cent are considered old standards – not in line with current industry technology but, he noted, "we do have their equivalent at national level."

"Regarding the most traded products, we have new regional standards harmonised and adopted at 100 percent," Murenzi said.

Harmonised standards

Recently, the EABC validated the study on Impact Assessment of the East African Harmonised Standards on the business community, during a workshop held in Kampala, Uganda.

The aim of the study, initiated in 2013, was to undertake an impact assessment of the EAC harmonised standards on six amongst the 20 most traded products in the region in terms of cost, time and trade values.

Assessed products were soaps and surface active agents, alcoholic beverages, steel and steel products, edible fats and oils, sugar confectionary, and fish and fish products.

The study results indicated that use of harmonised standards in the region to produce the selected sampled products improved their competitiveness and market access, which has contributed to increment in the intra-EAC trade values of the sampled products from \$291.2 million in 2010 to \$340.4 million in 2014, a 17-per cent increment.

The sampled selected products manufactured based on harmonised East African Standards (EAS) also contributed to the increase in extra-EAC trade values from \$851.6 million in 2010 to \$950.8 million in 2014, an increment of 12 per cent.

Overall, there was general increase in the

trade value trend of the sampled products. The total export value (intra-EAC and extra-EAC) of the selected sampled products increased to \$1,291 million in 2014 from \$1,142 million in 2010 which was a 13-per cent increment.

"Study findings further revealed that 78 per cent of the interviewed manufacturers or exporters indicated that certification of the products with the quality marks significantly reduced standards-related delays at the borders," reads the report in part.

The study notes that standards related to clearance time for such products has on average reduced from 10 days before standards were harmonised to two to four hours after standards harmonisation which was a 99 per cent time reduction.

As a result of reduced delays at borders because of trading in certified products based on EAS, the standards related cost due to the delays at borders have also reduced "to almost zero" compared to an average of \$500 per consignment before standards were harmonised.

The study was commissioned before South Sudan joined the regional bloc.

Pelagie Mbabazi, the Private Sector Federation (PSF) liaison officer, who attended the validation workshop, said findings were general and the consultant will issue a final version after incorporating inputs from the meeting.

The report lists challenges of standards

harmonisation in the EAC, including a standards harmonisation process that took long; inadequate time given to the private sector to adjust to implement harmonised standards; and inadequate funding for standards harmonisation.

"Standards harmonisation is an expensive venture that requires experts and key stakeholders to meet, deliberate and form consensus. However, study findings indicated that standardisation activities were not adequately funded both at national and regional levels," reads the report.

Murenzi said, among others, the issue of lack of recognition of quality marks in the region and especially in Tanzania where the Tanzania Foods and Drugs Authority (TFDA) does not recognise national standard bureaus' marks is another challenge.

He said: "Our proposal is to fast track harmonisation of quality marks procedures' issuance so as to avoid multiple testing, registration and inspection conducted by the TFDA."

Among recommendations, the report noted, the EAC Secretariat should fast-track the development of the EAC SPS protocol and its ratification by partner states to address issues regarding food safety regulations and harmonisation of food safety controls to lessen inconveniences to exporters to Tanzania.

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