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APPROVING MANAGER

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A Win for the Private Sector: Harmonizing Standards in the East African Community Partner States

TradeMark East Africa (TMEA) launched its Standards Harmonization project in 2011 to help businesses cut costs associated with the different standards in force across the East African Community. The first phase of the project will come to an end in June 2017. This project stemmed from the importance of standards development for regional integration and has been done through supporting the national bureaus of standards in achieving regional harmonization. Product standards have a significant impact on trade in goods within the East African Community (EAC) while non-harmonized standards continue to interrupt the smooth flow of goods in the region.

The SmartLessons below describe the challenges to the harmonization process and how the project's successful implementation is boosting trade within the region.

BACKGROUND

There is a considerable variation of standards within the East African Community (EAC) Partner States. This can be measured in terms of number and technical specifications. As a result, businesses that wish to trade in the region must comply with more than one set of standards, which imposes a burden in the form of time and monetary costs.

LESSONS LEARNED

Lesson 1: Start with the basics.

TMEA first supported the provision of training for the various National Bureau of Standards officers in the EAC

region on the Principles and Procedures of Standards Harmonization. The principles and procedures define the methodologies for the development and maintenance of East African Community Standards through the activities of technical committees and their subsidiary bodies. The procedures were developed by the Standards Management Committee (SMC) and approved by the East African Standards Committee (EASC) in 2012. In a process that is naturally lengthy, the refresher training with the National Bureau of Standards officers was critical in fast-tracking harmonization. The objective of the training was to create a common understanding and interpretation for the effective implementation of the procedures. The procedures define a preferred style

for the development of the standards thereby allowing for consistency of the documents as well as elaborating on the methodologies and publication of standards.

Lesson 2: Engagement with potential partners and stakeholders.

TMEA has a national presence in each of the EAC Partner States as well as a regional team that works closely with government, civil society and the private sector on regulatory issues. The Standards and Non-Tariff Barriers (NTBs) directorate which is part of the regional team continues to work with the National Bureaux of Standards (NSBs) and has been able to leverage its national presence as well as regional expertise to achieve results. At the regional level, the team worked with the EAC Regional Private Sector Standards Platform (EASP) that was developed with the goal of advocating for a more streamlined regional standards framework. Input from the EASPS provided a basis for prioritizing which product standards would be harmonized. The platform focuses on advocacy and engagement on harmonization of standards and technical regulations as well as providing an opportunity for advanced focused engagement of the private sector in the EAC regional integration process. At the national level, TMEA provided equipment to the NSBs that enabled more efficient testing, and also supported the certification of small and medium enterprises to enable them to join regional value chains. As a result, testing clearance time reduced by an average of 74%, from 38 days to 10 days for products without notified certification marks, to half a day for products with notified certification marks. Additionally, testing costs fell by an average of 54% across all the National Bureaux of Standards, from an average of USD 500 to USD 205.

Lesson 3: Draw the private sector into the reform process.

Without private sector participation, the harmonization process might have failed to address the most pressing concerns. The East African Community has an established structure to harmonize standards through

the Standards Management Committee (SMC) that reports to the EASC. The SMC is established by the EASC for the purpose of elaborating and harmonizing standards and standards-related documents while the EASC complements its. TMEA worked with the EASPS housed under the East African Business Council (EABC) to elicit input from the private sector on the harmonization process. The products for which standards were harmonized were taken up by various Technical Committees comprising representatives from the National Bureaux of Standards, the private sector, and academia from each Partner State.

The EASP invited private sector representatives to provide input, and ensured that their recommendations were taken into consideration. The EASP plays an additional and vital role in standards harmonization by ensuring that harmonized standards are effectively implemented. These activities were implemented through outreach to the private sector in the form of workshops that addressed those standards that are adopted as EAC standards. This approach was used to ensure buy-in from the end users of the standards who are consumers.

Lesson 4: Prioritize! Not all standards need to be harmonized.

TMEA lacked the funding and the time to achieve harmonization of all standards that have been developed by the different standards bureaus among the East African Community Partner States. To ensure a maximum impact despite these constraints, TMEA concentrated on harmonizing standards for the top 20 most commonly traded goods in the EAC region by value. Standards for some additional goods were also harmonized in response to spe-



Testing Equipment procured for Uganda National Bureau of Standards with TMEA support (Source: TradeMark East Africa)

cific requests from national bureaux of standards and the private sector.

To achieve this, the programme first identified the top 20 priority products such as cement, iron steel and its products, edible fats and oils, tobacco and tobacco products and soap and soap products. TMEA then supported various national Technical Committees spearheading harmonization in those products to meet at regional forums to build consensus on the harmonized East African Standards, EAS. To date, 170 standards relating to 40% of the key top 20 products traded across the EAC region have been harmonized. The private sector has been an integral part of the process, which has been participatory in nature. The participation of the private sector has been achieved by setting up and supporting the EASPS based at the EABC secretariat in Arusha, Tanzania.

CONCLUSION

The development of standards and their harmonization, adoption and implementation is expensive as well as in relation to their preparation, approval and adoption.

To date, 170 standards have been harmonized within the EAC with support from TMEA and the process currently ongoing for the past 5 years Standards harmonised include packaging and labelling standards, which had been cited as a recurring non-tariff barrier to trade. Other product standards include to cement, edible oils & fats, steel and others as mentioned above. As a result of these efforts by TMEA in coordination with the Partner States, the clearance time at the border for goods certified with notified certification marks based on harmonized standards has been reduced from 10 days to 1 day as attested by the formative evaluation of the programme. The private sector has been the key beneficiary in this process.



DISCLAIMER

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