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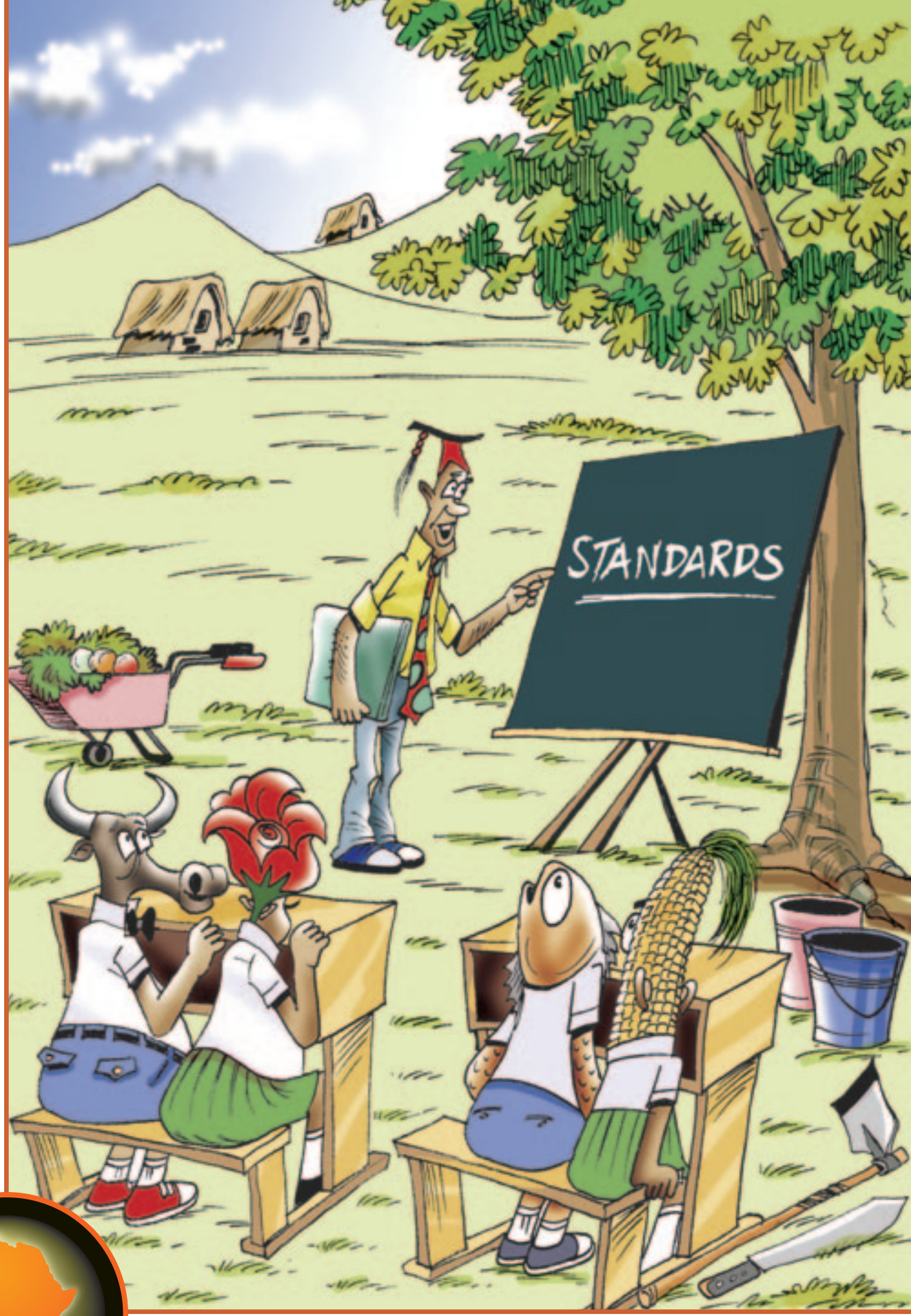

GROUND CONTROL

Making the grade in agriculture

By Martha Byanyima

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The Author

Martha Byanyima has worked for the Common Market for Eastern and Southern Africa (COMESA) since January 2010, after more than a decade of work in the development of agricultural and fisheries standards in East Africa.

Martha holds a higher national diploma in food technology from the Kenya Polytechnic University College, and an MSc in food safety and quality management from the Natural Resources Institute at the University of Greenwich in the United Kingdom.

In 1988, after completing her diploma in food technology in Nairobi, Martha worked for seven years at the Dairy Corporation, the Ugandan dairy parastatal. The Dairy Corporation dominated procurement and marketing of dairy products in Uganda. The sector was liberalised and opened to international competition and investment in the mid-1990s. In 1995, Martha founded her own dairy processing business, manufacturing yoghurts, cheeses and ice cream. Two years later, she began training small scale dairy producers in marketing and quality management for Land O'Lakes, an American food co-operative.

From 2004, Martha worked as a regional coordinator and food safety expert in fisheries for the European Union in Kenya, Tanzania and Uganda. Her work involved liaison with both government departments and the private sector to implement and reinforce sanitary and phytosanitary (SPS) systems in the fisheries industry. Three years later, in 2007, Martha joined the Rwanda Horticulture Development Authority, a government agency, where she designed new SPS legislation for plant health in compliance with EU regulations.

At COMESA, Martha is the Regional Process and Partnerships Coordinator for the Comprehensive Africa Agriculture Development Programme – an initiative of the New Partnership for Africa's Development (NEPAD), adopted by African governments in 2003. Martha works with national governments and departments of agriculture to align agricultural policy with CAADP.

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Foreword

Agricultural standards are the passport to the global trade in food. For Africa's best farmers they can seem a daunting proposition, but international standards are a reality no farmer – big or small – can afford to ignore. Agriculture is the continent's most important, and neglected, competitive advantage in the global economy. The trade in farm produce requires guarantees – of quality and safety – from governments and the private sector.

Reaching agreement on food standards requires tenacity – for officials and farmers alike. Yet neither side has much room for manoeuvre. Legal standards must be credible to authorities in importing countries, while the private sector is accountable to the demands of consumers. In most African states, the technical expertise to monitor and improve standards adequately, according to guidelines set out in the World Trade Organisation's Sanitary and Phytosanitary Agreement, is limited. Some politicians have become frustrated with the *diktats* of global trade, arguing they diminish the 'sovereignty' of governments. For technocrats, the complexity of many international trading standards has become an obstacle to Africa's smallholder farmers.

Two-thirds of Africans depend on agriculture for their livelihoods, yet governments spend on average only 3-4% of national budgets on agriculture. To devise practical, attainable and internationally accepted standards demands real collaboration between the private sector and governments. Each side needs the other. But while farmers have a strong interest in complying with governmental efforts to implement and improve legal standards, a clever private sector will retain for itself influence or control over a parallel system of private voluntary standards.

Standards, then, are a complicated business. They are both public and private, national and multilateral. They depend on consensus, but African farmers have no significant leverage in defining them. Legal standards are the prerogative of governments, but they are only a first step. Private standards have become an essential marketing tool for retailers – and another hurdle for African producers keen to access lucrative export markets. Compliance with the Global Partnership for Good Agricultural Practice standard, or GLOBALG.A.P, is prized by supermarkets across the world. Accreditation systems for 'organic' or 'Fair Trade' crops can unlock premium prices for producers. But an underlying problem remains – the cost of accreditation is often beyond the means of smallholder farmers in Africa.

Martha Byanyima brings a wealth of personal experience, and conviction, to this difficult terrain. Her father owned a cattle ranch in Uganda. During the liberalisation of the Ugandan economy in the early 1990s, she founded her own dairy. She discovered first-hand the lack of adequate preparation and support for local industry from governments and international lenders, in the face of sudden competition from imports of higher quality South African and Kenyan yoghurts and cheeses.

In the early 2000s, Martha helped to manage the rehabilitation of fishing industry standards in East Africa after exports from Lake Victoria were banned by the European Union. She understands both the difficulties of developing robust agricultural standards, and the hard truth that there is no alternative if African farmers want to increase their stake in international markets. This is the principle which underpins new legislation in Rwanda, drafted by Martha, to govern plant health and phytosanitary standards.

This *Policy Voice* builds on our earlier work at Africa Research Institute. *Planting Ideas*, our survey of Malawi's fertiliser voucher programme, argued strongly for agricultural subsidies as a means to avert famine and achieve food security. *Feeding Five Thousand*, an account of Zimbabwean villagers' reversion to finger millet as their main staple, considered the role of traditional crops as an alternative to maize in areas of low rainfall. *Kenya's Flying Vegetables* charted the dominant role of

smallholders in export horticulture, a booming industry which has transformed rural livelihoods.

In the following pages, Martha Byanyima argues convincingly that no practical alternative exists to meeting global standards for agriculture. The burden of responsibility for reaching that goal can be distributed widely. Whether in the public or private sector, all sides must strive for simplicity. Private standards can be more sensitive to the actual circumstances of farmers and fishermen. The 'Kenya GAP' standard in horticulture, for example, is a first in Africa and a step towards meeting the higher standards of GLOBALG.A.P. The costs of certification schemes must come down, with more accreditation carried out by African companies.

At a time of growing enthusiasm for agriculture from development agencies, Martha's experience highlights an important policy failure. More investment in African agriculture is routinely conflated with other initiatives to reduce poverty. Contrary to much of the prevailing rhetoric, these are separate imperatives. For Martha, the most productive investment is to support the 'slightly-resourced': that is, farmers with the skills to meet stringent quality standards, but limited access to industrial markets. Mostly, they are a quite distinct group from the vulnerable rural populations targeted by anti-poverty programmes.

Mark Ashurst
Director, Africa Research Institute

1. Introduction

Agriculture has always been a big part of my life. I was born in Uganda where farming is by far the largest sector of the economy. Until the age of 18, I spent school holidays working on my family's cattle ranch, a five square mile plot in the south-west of the country. My parents were considered large-scale farmers, as farm plots tend to be between one and four acres. Like most of Africa, Uganda is a nation of smallholders.

I was raised in a commercial environment. From childhood I was exposed to the fundamentals of running a successful agricultural business. My parents earned most of their income from rearing cattle. They were able to pay for my school fees and meet the basic needs of the family. I grew up with an understanding that agriculture is a business, not merely a means of subsistence. I value agriculture very much in this respect.

My favourite subject at school was always food science. I found it easy to relate what I had learned in class to the livestock industry. But I also like good food, and was keen to learn more about how it is produced. After I completed my secondary education I moved to Nairobi, to study for a higher national diploma in food technology at the Kenya Polytechnic University College. The course explored food industry development and trade in Africa. In Kenya, I undertook a number of apprenticeships in a thriving food processing industry. I also hold an MSc in food safety and quality management from the Natural Resources Institute at the University of Greenwich in the United Kingdom.

My professional career has been concerned with building the capacity of governments and the private sector to comply with international food safety and quality standards. I have worked with both public and private sectors in dairy, fisheries and horticulture. Compliance with standards is essential if African farmers are to participate more in international trade. Premium markets in Europe and North America have strict regulations concerning the cultivation and handling of imported agricultural goods.

I have seen first-hand what can happen when producers, and processors, do not comply with international agricultural standards. In 1997 and 1999, for example, the European Union imposed bans on fish from Lake Victoria due to concerns for consumer safety. The bans crippled the lake's fisheries industry, affecting some two million people. More recently, the application of non-approved pesticides by fruit and vegetable farmers threatened to undermine the export of horticultural crops from Africa. Increasing trade of agricultural goods across international borders has made export markets more wary of threats to consumer health and environmental sustainability.

Consistent agricultural standards within Africa are necessary to increase regional trade and improve food security. Two-thirds of Africans depend on agriculture for their livelihood. The sector accounts for 30-40% of Africa's GDP, and almost 60% of export earnings. Governments regularly block imports of agricultural products from neighbouring countries, fearing the spread of harmful insects and diseases. Differing regulations within Africa remain a significant barrier to regional trade. Few African countries have made progress in complying with international food safety and quality standards. While there is a common desire to increase regional and international exports, only recently have governments began to understand the importance of agricultural standards.

2. Liberalisation, and the knowledge gap

At independence, in 1962, the Ugandan government inherited political and economic structures from the colonial administration. The agricultural economy was run by state institutions. Production, collection and sale of dairy products, for example, were controlled by the Dairy Corporation, a parastatal. Commercial businesses,

including my father's cattle ranch, received state support. Veterinary drugs were free and government animal health officers visited regularly. This system worked well for many years, but by the early 1980s assistance for farmers had all but evaporated.

The 1970s and 1980s were decades of social change in Uganda. Under the rule of Milton Obote and Idi Amin, we experienced long periods of political instability and, at times, conflict. Public services deteriorated. The civil war, which culminated in the overthrow of President Obote by the National Resistance Movement in 1986, brought the economy to a standstill.

In the 1990s, the economy underwent a process of liberalisation. By 1996, Uganda had accumulated debts of US$3.6 billion to overseas creditors, on very unfavourable terms.[1] In return for refinancing and technical assistance from international financial institutions, the government agreed to dismantle tariff barriers, abolish subsidies and cut back the scale of the public sector. Government parastatals were privatised.

In 1988, after I completed my diploma in food technology in Nairobi, I returned to Uganda to work for the Dairy Corporation as a Quality Assurance Officer. The corporation had provided employment for many people and was able to meet domestic demand, but it was inefficient and outdated. Competition from private processors, both domestic and regional, was restricted. By the mid-1990s, the dairy industry needed significant investment – and to diversify. Only milk and butter were produced on any scale. The urban middle class was growing rapidly but dairies were unable to supply value-added products such as yoghurts and ice cream.

Opportunities for private businesses began to emerge, particularly in agriculture. In 1995, I started my own dairy processing company with a loan from the Uganda Women's Finance and Credit Trust, a microfinance institution. My business was relatively small, with a daily processing capacity of 200 litres of milk. I made products that were not readily available on the domestic market, including low fat yoghurt, cream cheese, whipped cream and ice cream. My main clients were hotels and the international airline industry. For the first two years, my business did well and I was happy.

With the liberalisation of the market, competition soon intensified. Imports from South Africa and Kenya were of better quality, and adhered to strict standards. To remain competitive required high levels of investment, and greater risk. My company was not competitive enough. Of eight local dairy processing businesses which started up within a three year period in the mid-1990s, only two survived ten years later. Privatisation was the best thing for the dairy industry in Uganda because it encouraged investment, but it was poorly managed by the government and international financial institutions. That is why so many businesses failed. Local dairy producers and processers were not given any assistance to build capacity, or prepare for external competition, before liberalisation. The private sector in Uganda was small. No one knew how to be competitive in regional and global markets.

In 1997, I was approached by Land O'Lakes, an American food co-operative. They were looking for someone to train small producers as part of a dairy development programme funded by the American government's development agency, USAID. Later, my factory became a training facility. I remained a consultant for Land O'Lakes until 2000.

3. Quality control

In Uganda, food safety and quality standards were weak for all agriculture – not just the dairy sector. Government regulations – official control systems (OCS) in technical jargon – were not developed. For many years, this had little effect on the country's exports. Uganda's main export crops are coffee, cotton and tea. The health and environmental risks associated with these crops are

1. Peter B. Mijumbi, *Uganda's External Debt and the HIPC Initiative*, Canadian Journal of Development Studies, Vol 12, No. 2, 2001.

perceived as low relative to fresh food products. National systems to demonstrate due diligence in food safety and quality management remained weak.

Several high profile food safety scares in Europe and North America forced governments and businesses to improve standards for agricultural produce. Foreign governments started to insist that any imports were certified by a 'competent authority'. Border inspections became more frequent, particularly on horticultural consignments from developing countries. In Africa, the catering industry demanded assurances that their purchases were safe to consume. Regulations for agricultural produce evolved fast, and became stricter.

In 1995, the World Trade Organisation (WTO) was created to oversee the rules of international trade. The WTO had a monumental impact on standards for agricultural exports. An agreement on sanitary and phytosanitary (SPS) measures was signed, obliging countries to adopt appropriate legal measures for the protection of human, animal and plant health. 'Sanitary' refers to food hygiene and animal disease issues, 'phytosanitary' to plant health.

The competition I had encountered in my dairy business from producers in Kenya and South Africa induced me to learn more about international trade and standards for agriculture. In 2001, I moved to the United Kingdom to study for a Masters degree in food safety and quality management at the Natural Resources Institute, University of Greenwich.[2] I thought food safety standards would become more important in Africa as international trade was liberalised and foreign investment increased.

4. Equivalence, not 'sameness'

The WTO SPS Agreement is not a rigid set of standards. Authority to set and apply regulations is vested firmly in national governments. Although harmonisation of standards is encouraged, signatory countries can set their own rules to protect against pests and other threats, provided they submit scientific justification for measures more rigorous than those of recognised international standards.

The SPS Agreement acknowledges the need for flexibility. SPS standards must, to some extent, be tailored to local circumstances and conditions. Risks to human, animal, or plant health differ between countries and regions, each with their own distinct geography and ecology. Standards must be mutable – they must be able to respond to new or re-emerging threats.

The principle of equivalence is integral to the success of the SPS Agreement. Countries and regions can set different SPS measures but they must be able to guarantee equivalent levels of health protection. 'Equivalence' does not mean 'sameness'. In practice, national governments sign Mutual Recognition Agreements (MRAs), under which they negotiate equivalent levels of SPS protection.

Without an MRA, importing countries will insist on 'sameness', or identical standards. African countries have encountered difficulties negotiating MRAs, because they are not in control of their agricultural systems. Most do not have adequate safety controls for export crops. Where knowledge of international agricultural standards is poor the capacity to negotiate MRAs is limited.

SPS standards were often used for protectionist purposes in the past – for example, in the long-running 'Beef Hormone Dispute' in the 1980s and 1990s. A European ban on imports of beef from the USA, on the grounds that the use of growth hormones constituted a potential

2. The NRI was formerly the scientific wing of the Overseas Development Administration of the UK government, before the creation of the Department for International Development in 1997.

Sanitary and Phytosanitary Agreement

The World Trade Organisation (WTO) was established in 1995 to set and oversee global rules of trade. It includes a series of legally binding agreements signed and ratified by 153 nations. The WTO replaced the General Agreement on Tariffs and Trade (GATT), signed in 1947 to encourage a resumption of international trade in the aftermath of World War II.

The Sanitary and Phytosanitary (SPS) Agreement to protect human, animal and plant health emerged from the 1994 Uruguay Round of Multilateral Trade Negotiations which led to the creation of the WTO. In GATT, internationally agreed SPS measures were contained within more general agreements to foster international trade. As trade in agricultural goods burgeoned, the need became apparent for an agreement on clear and strict SPS measures.

Developed countries, increasingly concerned at the introduction and spread of invasive pests and diseases from abroad, wanted an international agreement that would protect people and the environment. Many developing countries, however, wanted protection against, non-tariff barrier to their agricultural exports.

The WTO SPS Agreement seeks to provide a framework for the protection of human, animal and plant health which does not undermine free trade. It is based on five principles:

1. *Harmonisation* – national SPS regulations should be based on existing international standards and guidelines.
2. *Equivalence* – willingness to recognise different, but equivalent, measures to achieve internationally recognised standards.
3. *Non-discrimination* – avoiding adoption of arbitrary or unjustifiable SPS measures, and the same treatment of imports and exports.
4. *Transparency* – notifying trade partners of changes in SPS regulations, particularly when the changes depart from internationally agreed norms.
5. *Regionalisation* – adaptation of SPS regulations to the local environment, whether within national borders or a wider region, to take into consideration the prevalence of specific pests and diseases.

Three authorities are responsible for setting internationally accepted SPS standards:

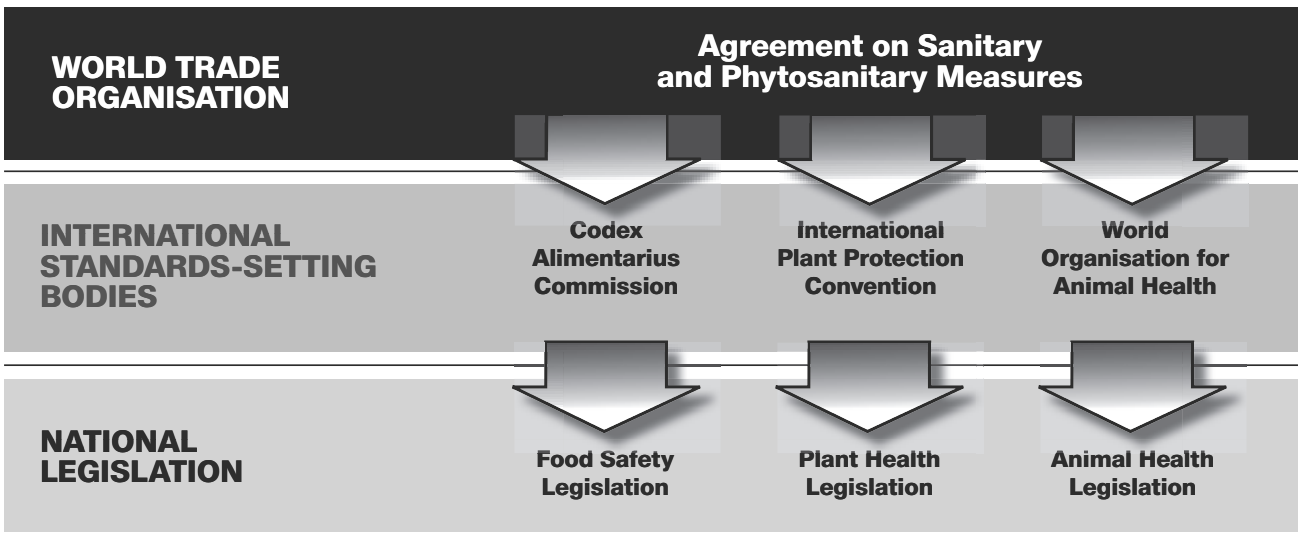
1. Codex Alimentarius Commission (Codex)
Established in 1963 by the United Nations' Food and Agriculture Organisation (FAO) and the World Health Organisation (WHO) to set international food safety standards.

2. The International Plant Protection Convention (IPPC)
Established in 1952 to prevent the introduction and spread of harmful pests from both cultivated and wild plants, the IPPC is administered by the FAO on behalf of 173 signatory nations.

3. The World Organisation for Animal Health (IOE)
Established in 1924 to improve animal health worldwide, the IOE is administered by delegates appointed by 176 member countries.

Sources: Evans, E. A. Understanding the WTO Sanitary and Phytosanitary Agreement, University of Florida, 2004. World Trade Organisation, The Agreement on the Application of Sanitary and Phytosanitary Measures. Accessed: http://www.wto.org/english/tratop_e/sps_e/spsagr_e.htm

Institutional structure of SPS measures



health risk to consumers, was lifted only after the creation of the WTO. The WTO SPS Agreement includes a Dispute Settlement Mechanism which can be used when one country believes SPS measures have been implemented arbitrarily by another. But many African countries lack the know-how to take advantage of this mechanism.

5. Fisheries under sanction

I worked in the East African fisheries sector for three years after I completed my MSc at the Natural Resources Institute. I arrived three years after the European Commission (EC) lifted a ban on imports of fish from Lake Victoria. The EC imposed two such bans, in 1997 and 1999. The first followed the detection of salmonella in fish imports and a cholera outbreak on the shores of Lake Victoria. The second, lasting 18 months, followed media reports of local fisherman using chemicals to catch fish. Both bans were precautionary, but they exposed structural problems in the fisheries industry in East Africa.

Government regulation of fisheries did not meet EC standards. When the EC required the authorities in Kenya, Uganda and Tanzania to respond to reports of pathogen and pesticide residues in fish exports, the authorities did not know how to respond. The EC wanted the source of the problem identified, and all traces of contamination eradicated, but institutional mechanisms to identify, monitor and contain threats to food safety were non-existent. The EC called for an official audit of the East African fisheries industry.

The audit confirmed that SPS measures adopted in East Africa did not comply with international food safety standards for fisheries. Inspections of fish processing plants were infrequent. Independent laboratories to identify threats to food safety lacked capacity and funding. For the ban to be lifted, Kenya, Uganda and Tanzania were required to introduce measures to regulate the export supply chain that were equivalent to those in Europe.

6. Beating the ban

The WTO SPS Agreement stipulates that developed countries should provide technical assistance to developing countries to help them comply with international agricultural standards. I worked for the EC, from 2004 to 2007, providing technical support to the governments of Kenya, Uganda and Tanzania in preparing for the next audit of the fisheries industry. New laws were passed. Processing plants established Hazard Analysis Critical Control Points (HACCP) – an internationally recognised mechanism for managing food safety to counter threats like salmonella, E.coli, pesticide residues and heavy metal contamination.

In the factories, my job was to audit HACCP systems for identify potential threats to food safety. I explained changes in EC standards to factory owners, and helped them to respond. Inspections across the supply chain became more frequent, as more independent food safety inspectors were trained. I reviewed government inspection systems, and trained officers to identify important hazards. New EC-accredited laboratories were established in Kenya and Uganda for microbiology, pesticide and heavy metal analysis.

These reforms were hard won. Bureaucrats resisted change. Some officials complained that standards were being imposed on them from outside. They argued that external standards infringe on their sovereignty. But sovereignty is conditional. Regulation cannot be left to the private sector. Governments must monitor agricultural exports and control their regulatory systems, so that their exports do not pose a health risk to people in other countries. This requires money and commitment.

In spite of frustrations, my experience working in the East African fisheries industry was encouraging. The debacle

Fish exports from Lake Victoria

The EU ban

Fishing is one of East Africa's most vibrant industries and a source of food for 22 million consumers in East Africa*. In 1980, the industry catered for a domestic population with little capital investment. Thirty years later, the fisheries industry is a large export business. The transformation has been most pronounced on Lake Victoria**. The lake produces an annual catch in excess of 800,000 tonnes, and generates US$590 million for the economies of Uganda, Tanzania and Kenya. For Uganda, fish is the second most important export after coffee.

The social impact of this growth is significant. Most fish are caught by small-scale fishermen who sell their catch to processing factories along the shores of Lake Victoria. The sector supports two million dependents. Nile Perch accounts for 40-60% of the total catch, of which 75% is exported from the region. The EU is the principal market, receiving 60% of total fish exports from Lake Victoria. But in the late 1990s, a series of bans were imposed on fish imports from Lake Victoria to the European Commission (EC).

The first ban signalled the growing importance attached to sanitary standards. In February 1997, Italy and Spain detected high levels of bacterial contamination, including salmonella, in fish from Lake Victoria. Both countries instigated bans on fish imports from the lake, and requested a full EC ban. The EC stalled until December 1997 when a cholera outbreak in East Africa prompted it to impose a ban on all fish imports from Lake Victoria and Mozambique.

The precautionary ban was not based on scientific evidence of a human health risk. The EC justified it on the grounds that "insufficient measures applied by the sanitary authorities ... to control the outbreak of cholera". After a risk analysis by the World Health Organisation in June 1998 concluded that fish from Lake Victoria did not pose a risk of a cholera outbreak in Europe, the ban was lifted. But exporting countries were required to amend health certificates to guarantee that "any person handling fishery products must have satisfactorily undergone medical supervision"***.

The second ban, imposed in March 1999, was also precautionary. It reflected concern at media reports in Uganda exposing the use of chemicals by local fishermen to harvest fish. Kenya, Tanzania and Uganda all lacked the scientific capacity to assess the reports of pesticide residues in Lake Victoria. Only in August 2000 was the ban lifted, after all three countries were able to demonstrate the safety of East African fish products and tests showed tolerable levels of pesticides in the lake. No tests carried out on fish samples in the EU showed the presence of pesticides.

*. Lake Victoria Fisheries Organisation, http://www.lvfo.org/

**. Eirik G. Jansen, *Recent Developments in East African Fisheries*, 2006.

***. FAO Fisheries Report, *Seventh FAO Expert consultation on fish technology in Africa*, No.712, 2001.

over exports to Europe exposed the difficulties faced by African countries in achieving compliance with international SPS standards. I learned how important it is for governments to assume a leading role in setting standards to regulate imports and exports.

7. Consumers and private standards

The private sector has become very active in the formulation of standards for agriculture. Fear or legal proceedings instigated by consumers led European retailers to move beyond 'codes of practice' and technical protocols to draw up 'private voluntary standards', some of which covered the entire supply chain. In 1999, for example, UK supermarkets were leading proponents of a Europe-wide standard for 'good agricultural practice'. EurepGAP – later GLOBALG.A.P – became the first private standard for pre-farm gate food safety.

Private standards address consumer perceptions, branding requirements, or common practices in importing countries. Many stipulate maximum pesticide levels, limits for microbiological contamination, hygiene and other food safety issues in the event of food safety scares. Retailers want to be able to trace food products from the farm to the fork, and vice versa. Campaigns highlighting poor working conditions in developing countries also raised awareness of labour issues. Greater public interest in the impact of food consumption underpinned the trend to 'buy local' or organic.

Private standards, an overview

The Global Partnership for Good Agricultural Practice, GLOBALG.A.P

GLOBALG.A.P is a private organisation formed in 1997 to set standards for Good Agricultural Practice (GAP) in the production of agricultural products, from horticulture to fisheries to livestock. Before 2007 the organisation was known as EurepGAP. The standards span requirements for on-farm production, not processing or manufacturing of agricultural products. GLOBALG.A.P was created to harmonise requirements of different retailers worldwide, often based on consumer concerns. It is the world's most widely implemented certification scheme for agriculture.

Fairtrade

The Fairtrade Certification Mark guarantees to consumers that producers in developing countries have been offered sustainable prices, and operate under good working conditions. In return, consumers pay a premium for products, from coffee to cotton to sports balls. Fairtrade labelling is marketed as a means to alleviate poverty and encourage sustainable development and to address inequalities in international trade. Fairtrade labelling was first launched by the Max Havelaar Foundation in The Netherlands in 1988, and was soon replicated across Europe and North America. In 1997, Fairtrade Labelling Organisations International (FLO) was established to monitor all Fairtade labelling initiatives worldwide.

Rainforest Alliance

The Rainforest Alliance, founded in 1986, is a non-profit organisation to promote standards for environmental sustainability in agriculture and forestry. It aims to protect the communities, animals and plants that inhabit forests and prevent deforestation. Rainforest Alliance certification guarantees that all approved goods, from coffee to timber, are sourced and harvested in compliance with strict guidelines to protect the environment, wildlife and workers.

Organic certification

Most governments have developed comprehensive organic legislation. The UK and EU have strict regulations for products labelled organic. Certification is handled by non-profit organisations or private companies. The Soil Association, founded in 1946, is the UK's principal certifier of organic produce. The Association sets its own standards, which it claims go above and beyond international guidelines for organic agriculture. Organic standards cover production and processing of agricultural produce, animal welfare and environmental conservation. Organic certification includes strict conditions on the use of agrochemicals and farm inputs.

Private standards have not replaced legal official control systems. They are voluntary – not codified in law. But they are often more stringent than minimum legal requirements and farmers are certified, usually by an independent auditor, to ensure compliance. European retailers insist on compliance with at least one private standard, which they use to differentiate products. They can attest to a particular farming method, as with organic produce, or guarantee that farmers in developing countries have been paid a minimum price for their produce, as with Fair Trade.

In general, private standards have not been designed with African farmers in mind. The Global Retailers' Protocol for Good Agricultural Practice, GLOBALG.A.P, was written for large European farms. Many of the specified controls – such as on-site toilet facilities or grading sheds – do not exist on small farms in Africa. The requirements for GLOBALG.A.P certification are revised every few years. As standards become more demanding, compliance becomes more costly in time and money.

Critics have argued that private standards are yet another form of protectionism – a 'non-tariff barrier' which favours European farmers. Retailers respond that they are addressing consumer preference and encouraging good agricultural practice. My view is that African farmers and food processors must respond to market demand. Standards merely reflect what the market wants. But we must be realistic, taking account of local circumstances and resources. External support is needed to tailor private standards to local conditions in Africa.

Standards and small farmers

By Stephen Mbithi
Chief Executive, Fresh Produce Exporters' Association of Kenya.

Standards are a passport to international trade. Exports of fruit and vegetables from Africa to Europe have increased dramatically in response to the demand for out-of-season produce, and healthy living. East African countries have a competitive advantage – a climate suitable for year-round production and low cost of labour. For the continent to maintain its stake in high value agriculture markets, smallholder farmers must comply with strict food safety standards.

Kenya is East Africa's largest exporter of horticultural crops. Agricultural standards have improved its competitiveness in horticulture. Our horticulture sector is well developed and dates back to the 1960s. Both large-scale commercial estates and smallholder farmers grow horticultural crops for export. Farmers have succeeded in meeting the requirements of new standards, particularly GLOBALG.A.P. Since 2003, horticulture has experienced annual growth rates of 15-20%. Smallholder participation in the horticulture sector has increased since the introduction of GLOBALG.A.P to about 150,000. Productivity has improved. Pesticide and chemical fertiliser use has fallen.

Compliance with agricultural standards – both statutory and legal – has underpinned this success. Kenyan horticulture is directed by a large and experienced private sector. It has been able to respond to market developments, quickly and efficiently, without interference from the government. Horticulture is distinct from the wider agricultural economy in this respect. Large farms have played an important role in training Kenyan smallholders to comply with standards. Small-scale growers are contracted by larger farms and exporters to grow for export. The government's role is simply to confirm that the private sector adheres to the legal regulations.

The rationale for private standards is sound. Human and environmental health is of the utmost importance. I do not object to strict agricultural standards in principle, unlike misguided talk of 'food miles' – a way of indicating the carbon footprint of food transported by air. But agricultural standards are far from perfect – they remain complex, numerous and ultimately costly for small producers in Africa. The unit of certification for private standards is the individual farm. Private certification companies charge a fee directly to the producer.

Retailers do not make any contribution towards the cost of certification. In 2003, when compliance with GLOBALG.A.P became mandatory for all fresh produce destined for the European retail market, donors provided significant financial and technical assistance to smallholder farmers. They were concerned that private standards would reduce smallholder participation.

Kenya was among the main beneficiaries of the Pesticide Initiative Programme (PIP), run by the Europe-Africa-Caribbean-Pacific Liaison Committee (COLEACP) to improve the capacity of the private sector to comply with new standards. Similar projects were launched by the UK's Department for International Development (DFID), the German development agency and USAID the American development agency. My organisation, the Fresh Produce Exporters' Association of Kenya (FPEAK) continues to provide GLOBALG.A.P training for smallholders. But so many initiatives are not sustainable. A single system for ensuring small farmers are up-to-date, and compliant with standards in the long term, does not exist in Kenya – or elsewhere.

Kenya has a Mutual Recognition Agreement with the EU. This agreement acknowledges that the Kenyan regulation of SPS standards is equivalent to that of the EU. The institutions regulating exports from Kenya are strong. Since March 2006, the Kenya Plant Health Inspectorate Services (KEPHIS) has been recognised by the EU as a 'competent authority' for guaranteeing that exported fresh produce is fit for distribution and consumption in Europe. KEPHIS conducts pest risk analysis and assessment in specialised laboratories, and holds regular consultations with FPEAK, to discuss changes to EU SPS regulations and private standards. Fresh produce from Kenya is rarely inspected at EU borders.

Efforts to harmonise agricultural standards have not worked. SPS regulations remain a convenient tool for national governments to protect local producers from international competition. Under the WTO's SPS Agreement, signatory countries are obliged to provide scientific evidence to support the introduction of new SPS measures. If a country blocks an import on SPS grounds, they must provide independent scientific proof of a public or environmental hazard. But there are ways around this. National governments continue to use SPS regulations against one another. This is well understood in international trade. Few developing countries have either the capacity or resources to appeal to the WTO arbitration panel.

The plethora of different private standards is an obstacle to the development of commercial smallholder agriculture in Africa. They must be simplified and harmonised to reduce the operating costs of small farmers. Most private standards authorities have very similar concerns over food safety and environmental sustainability, but their standards are worded and measured differently. Certification is big business. To call for harmonisation of private standards is like asking a company to undermine its own business model.

8. Horticulture, and raising rural incomes

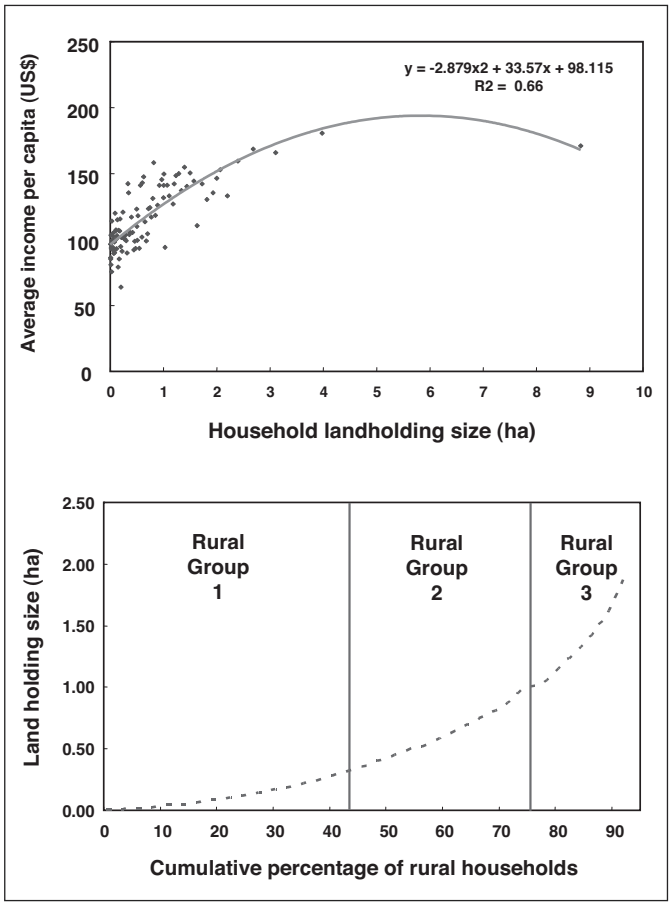
In 2003, after three years working with East African fisheries, I went to Rwanda for a year. I taught a course on food quality assurance at the Kigali Institute for Science and Technology. In 2007, I returned to Kigali to join the Rwanda Horticulture Development Authority (RHODA), a new government department.

Many African countries have long histories of exporting coffee, tea, cocoa and cotton. But since the mid-1980s a handful of countries have witnessed a boom in horticultural exports. The climate in many African countries is well suited to growing fresh fruits, vegetables and cut flowers. Horticulture is labour-intensive - and the cost of rural labour in Africa is cheap.

East African countries export large volumes of fresh produce to the EU every year. In Kenya, horticulture is now the largest foreign exchange earner – bringing in more than tourism, banking and telecoms. The sector generates total revenues of US$2 billion per annum and makes a significant contribution to poverty reduction. About 60% of Kenya's exported fruit and vegetables are grown by 150,000 smallholder farmers. They can earn six times more from horticulture than from maize. Prices are less volatile than for staples coffee or tea. Horticulture enables them to purchase extra food, education and medical care.

Most African horticultural exporters must comply with private standards. In Europe, the retail sector has a market share of about 80% for imported fruits and vegetables. The wholesale market does not require compliance with private standards, but tends to offer lower prices than retailers. Private voluntary standards are a passport to premium value markets.

Rwandan smallholders have struggled to comply with private standards for horticulture. Training smallholders to achieve compliance is a costly and logistically difficult process. But my experience working in Rwanda was encouraging. The government is committed to improving standards in agriculture – the political will to comply with standards is strong.



9. Rwanda's opportunity

Agriculture is the largest and most important sector of the Rwandan economy, although the country has been a late entrant in the market for export horticulture. Kenya has demonstrated that smallholders can produce horticultural crops efficiently, and that coordination among small-scale producers can overcome barriers to market access. Fruit and vegetables are high value export crops, where financial yields are as much as ten times greater than the same area of cereals or pulses. Horticulture has been identified by the government as a key component of the government's poverty reduction strategy. RHODA was set up under the auspices of the Ministry of Agriculture and Animal Affairs (MINAGRI).

Implementing GLOBALG.A.P

Most smallholder farmers in Kenya who grow for export comply with the requirements of GLOBALG.A.P. In general, smallholder farmers have reduced their use of pesticides, apply good agricultural practices and use only certified agro-chemicals and seeds. But only a small proportion have been certified by an external auditor. Initial progress in certifying smallholders, driven largely by donor investment in training, has not been sustained.

GLOBALG.A.P is a commendable – and necessary – initiative. But the system for certifying producers does not work effectively. Smallholders who have been certified in the past have not applied for re-certification. Producers can find buyers for their harvest without a certificate of compliance with GLOBALG.A.P. Farmers who grow for export without a valid GLOBALG.A.P certificate experience few repercussions. Only about a quarter of exported fruits and vegetables come from a certified farm. Even so, Kenya has not lost its market position. When demand is high, the first priority of supermarkets is to ensure their shelves are filled.

It is almost impossible to certify all producers. About two-thirds of Kenyan fruit and vegetable exports are grown by smallholders. The cost of GLOBALG.A.P certification is beyond the means of many smallholders, whose profit margins are tight. The current system of annual and bi-annual audits is not instructive to exporters or retailers. Neither side knows what happens between audits. Such a system cannot realistically be applied to tens of thousands of smallholders.

The scope of GLOBALG.A.P is too wide. On top of requirements for food safety, GLOBALG.A.P includes a variety of other provisions – for example, to guarantee that workers paid fairly or that wildlife is allowed to pass through farms uninhibited. Many requirements of GLOBALG.A.P are difficult to quantify, or beyond the capacity of the private sector to enforce. For example, farm workers may often include family members who – strictly speaking – are not employees. Many provisions included in GLOBALG.A.P relate to labour rights and environmental sustainability which traditionally are the preserve of the government, not the private sector.

GLOBALG.A.P would be more effective if its criteria were restricted to food safety. A system based on risk, where all requirements could be quantified, would enable smallholder farmers to comply without incurring unaffordable costs. The private sector could seek greater involvement from the government, which has the capacity to police labour and environmental concerns. In Ghana and Cote d'Ivoire, for example, laws governing environmental sustainability for agriculture have been passed by the government. In Kenya, the government remains at the fringe of these activities.

Rwanda's population density is the highest in sub-Saharan Africa. Smallholders dominate the agricultural landscape, limiting the scope for economies of scale. But high altitude, regular sunlight, high annual rainfall and abundant supply of cheap labour give Rwanda a competitive advantage in horticulture.

The government has stepped in to fill the role played by the private sector in Kenya. It has encouraged smallholders to pool their land in order to gain economies of scale. But Rwanda will never compete with regional producers in terms of volume. The legacy of the genocide and the relative lack of capital investment have dictated that Rwanda adopt a markedly different approach to standards to that of Kenya. The private sector in Rwanda is small.and lacks the experience to direct horticulture. The government's objective is to ensure uniformity of production – 'bulking' – through policies of 'monocropping' and 'zoning'. In 2009, in part as a result of this policy, Rwanda achieved food security for the first time.

When I started working at RHODA, in 2007, the capacity of the government to regulate standards for fresh produce was minimal. Inspection services lacked skilled personnel and were under-funded. The EU and other trading partners had no confidence in the Rwandan authorities to regulate or certify fresh produce for distribution and sale in Europe. No Mutual Recognition Agreements had been signed. Instead, Rwandan exporters are required to pay for EU border inspections – at significant cost. Unlike Kenya, standards remain a substantial obstacle to the commercialisation of Rwandan agriculture.

RHODA was created to help build a strong, profitable industry. My role as head of the Rwanda Horticultural Exports Standards Initiative (RHESI), commissioned by the WTO Standards and Trade Development Facility (STDF). was to develop sound legal and policy legislation to encourage private sector participation and investment. For Rwanda to access niche agricultural markets, producers must compete on quality. This means getting

standards right. Another promising niche market for Rwandan farmers is organic crops. Traditionally, smallholders in Rwanda have not applied chemical fertiliser or pesticide.

A truly smallholder-friendly standard that smallholders can operate cost-efficiently without external support is probably impossible. To alter compliance requirements …would undermine the integrity of the standard

– Andrew Graffham, Jerry Cooper, Natural Resources Institute.

10. Regulating the market

Compliance with international agricultural standards – both statutory and private – is a test of governance. When governance – the regulation of standards by the government – is weak, all else fails. Regulations are essential for participation in international market for agriculture, and they are becoming increasingly important in intra-regional trade. National governments must be able to prove they have the capacity to certify agricultural produce fit for distribution and consumption. Trading partners want guarantees that a government's regulatory institutions are in control of the entire supply chain, and are accountable for anything that may harm the consumer, plant health or the environment.

When I began working for RHODA my main task was to draft a new Plant Health Law. The government recognised that in order to gain the trust of trading partners it must have a sound legal framework for plant health. The previous law governing 'phytosanitary inspection of plants and plant products for import and export' had been devised in 1975. It was inadequate, and out of date with developments in plant health. The most important objective of the new law was to meet the standards requirements of export markets while also protecting Rwanda's agriculture and environment.

The Plant Health Law introduced in 2009 is comprehensive. It lays down the plant health regulations for domestic and export crops. The most far-reaching reform involved the creation of a National Plant Protection Service (NPPS) – a mandatory requirement under the International Plant Protection Convention (IPPC). The NPPS is the 'competent authority' on all plant health matters, equivalent to KEPHIS in Kenya. It operates under the auspices of the Rwanda Agriculture Development Authority (RADA). The functions of the NPPS include:

- Preventing the entry and spread of harmful pests and diseases
- Establishing measures to protect plants from harmful pests and diseases
- Setting and implementing standards for plant health
- Issuing phytosanitary certificates
- Conducting pest risk analyses, and determining appropriate responses
- Inspecting areas under plant cultivation, or storage
- Establishing auditing and traceability procedures for all plants and plant products
- Establishing laboratories and quarantine stations
- Representing Rwanda in regional and international phytosanitary negotiations

The new legislation stipulates that imported plants or plant products must be accompanied by an import permit and a valid phytosanitary certificate from a competent authority. All such imports are subject to inspection at approved points of entry to Rwanda. An inspector may seize, detain or destroy any plant product without appropriate documentation or deemed unsafe for distribution in Rwanda. Inspectors have the authority to enter any area or premises to determine the presence of threats to plant health. All exports must obtain a permit and phytosanitary certificate, which are issued by the NPPS only issued when the goods comply with the regulations of the importing country or region.

The government in Kigali has pursued a policy of 'directed' agriculture, but farming in Rwanda is a private

The science behind food standards

By Brigitte Nyambo

Phytosanitary standards which regulate threats to plant health are vital for African farmers and governments alike. Invasive pests, whether indigenous or alien, can ruin entire crops. Export markets require strict phytosanitary standards. Comprehensive procedures are in place for minimising the threat of new pests to domestic agricultural production, and to avoid jeopardising food security. Harmonisation of EU legislation in 2000 restricted the use of pesticides by African smallholder farmers, but we need new approaches to containing pest and disease outbreaks.

I am the head of the Technology Transfer Unit at the International Centre for Insect Physiology and Ecology (ICIPE) in Nairobi, Kenya. ICIPE is a research institute. Much of our work involves researching invasive alien pest species, and addressing quarantine issues. We identify new pest species and develop strategies to limit the impact of outbreaks on agricultural production. It is estimated that insects destroy 20-30% of all food produced in Africa each year.

For the past 15 years, I have worked on strategies for smallholder farmers to combat harmful insect pests within the terms of EU SPS laws. In technical jargon, this is known as Integrated Pest Management (IPM). Before the introduction of GLOBALG.A.P, the principal private standard for Kenyan horticulture, pesticides were applied widely by small farmers growing for export. But simple, cheaper methods exist – such as the use of organic fertilisers, regular crop rotation or intercropping – to limit the damage caused by harmful insects. ICIPE has helped to reduce pesticide use significantly.

New pests and phytosanitary threats emerge regularly. In 2003, for example, an invasive fruit fly species – known as *Bactrocera invadens* – was detected in coastal parts of Kenya. *Bactrocera invadens*, originally from Asia, is a quarantine pest - and one of the most destructive fruits flies. Within three years, the species had spread to 22 African countries. We need effective scientific institutions to identify new or re-emerging threats from pests, and to articulate environmentally sustainable IPM systems to farmers.

In Africa, national governments have neglected scientific research for plant health. The majority of national plant protection services lack sufficient trained personnel and clearly defined IPM policies. Investment has declined. Insect and plant disease outbreaks are detected only when they have developed into a widespread problem. This can be avoided – but only when research and IPM is taken seriously by national governments.

Compliance with SPS standards ultimately requires regional coordination and collaboration. Invasive pests quickly become regional problems. Regional Economic Communities – the East African Community, for example – must provide the platform for dealing with SPS problems in Africa. Regional organisations must commit resources to build SPS capacity, including national plant protection services, quarantine facilities, inspections at all border posts, information sharing, and emergency funds to deal with new insect pests or disease outbreaks.

Standards are not simply about passing legislation or getting policies right. The real objective must be to transmit the science behind standards to smallholder farmers, in straightforward language they can understand. Small farmers do not oppose standards, but they often lack the knowledge to make informed decisions. Standards are a financial burden for small farmers, a risk they will not take unless fully aware of the eventual benefits.

Nwilene, F. E., Nwanze, K. F., Youdeowei, A. *Impact of integrated pest management on food and horticulture crops in Africa*, Mini Review, 2008.

enterprise. The government has intervened to coordinate or subsidise production, but in the long term, the private sector is best placed to respond to market demand in a cost effective way. Weak and outdated legislation on plant health deterred private investment in Rwanda. The 2009 Plant Health Law is based on international guidelines for plant standards, to create an enabling environment for the private sector.

11. Making the grade

Compliance with agricultural standards involves partnership between public and private sector bodies. Strong official controls regulating plant health make it easier for the private sector to comply with agricultural standards. In Rwanda, effective implementation is the new priority. People with the necessary skills are in short

supply. Implementing reforms will require investment in education and training.

Education of smallholder farmers brings improved access to markets and can encourage private investment. But it is expensive, and logistically difficult, to train smallholders to comply with standards. In Kenya, Tanzania and Uganda, training is left to the private sector rather than agricultural extension officers employed by the government. In Rwanda, the private sector is small. Small farmers lack both the capital and technical know-how to invest in grading sheds, pack houses and cold storage facilities.

The Rwandan government has assumed an active role in training. The need to improve the standard of agricultural produce for export has been emphasised in the Sector Strategic Plan for Agriculture. Donor funds are channelled through the government's Sector Wide Approach (SWAP) into priority areas. In some countries, the sheer diversity of projects and investments by various donors has stymied attempts to coordinate agricultural production. In Rwanda at least, donors have confidence in government institutions.

Training farmers to comply with SPS laws and specific private standards has been a slow process. Within the government, knowledge of private standards is limited. From my own experience, I know that teaching small farmers about dairy processing was considerably harder - but also more rewarding - than teaching university graduates in Kigali. Trainers need constantly to devise innovative ways to explain technical procedures in simple language to a large number of people, many of whom are illiterate. It is difficult to know who has understood, unless you visit their farms to see for yourself.

12. Local certification

Farmers who have been trained, and are compliant with required standards, have to be certified by an independent auditor. The GLOBALG.A.P standard is managed by Food Plus, an agricultural consultancy company in Cologne, Germany. Certification for GLOBALG.A.P is contracted out to agencies which charge a fee to farmers. International accreditation companies certify most farms in Africa. The largest of these are Bureau Veritas, Société Générale de Surveillance (SGS) and Checkmate International.

Retailers do not pay certification costs. Once a farmer is certified as compliant with GLOBALG.A.P, for example, he or she must pay a fee to Food Plus. I'm not convinced that retailers intended to create large incremental costs associated with compliance and certification, but those costs are a harsh reality for farmers in Africa. In the past, accreditation companies flew auditors to Africa from Europe. In recent years, SGS and Bureau Veritas set up regional offices in Nairobi, employing some local staff. This has brought some reduction in the cost of certification.

One survey in Kenya estimated the cost to a small farmer of achieving compliance at US$636 in start-up costs and US$175 per annum in maintenance. Spending such large sums to achieve compliance involves risk. Small farmers in Africa are not averse to innovation, but they are risk-averse. In Rwanda, there are no large-scale farms, and smallholders are poorly organised. The unit cost of certification is therefore considerably more expensive.

In Europe, accreditation companies will audit and certify individual farms. In Africa, this is not possible because most farmers own small plots of land. Kenyan smallholders are an exception because they are very well organised. Accreditation companies will certify groups of farmers who share inputs and resources. In some cases, large-scale farms and exporters contract smallholders in out-grower schemes.

AfriCert, local certification

By Ruth Nyagah, CEO AfriCert

AfriCert is a Kenyan agricultural certification company. We audit and certify farms for a variety of private standards including GLOBALG.A.P; Rainforest Alliance; Starbucks C.A.F.E. Practices for coffee; and Utz Certified for coffee, tea and cocoa. The company does not train farmers or develop agricultural standards. Verification audits assess the level of compliance with requirements outlined in each specific private standard.

Local certification companies are expensive to establish and maintain. AfriCert was set up in 2003 with financial and technical support from the German development agency, and the UK's Department for International Development through the Business Services Market Development Project. The start-up costs, from gaining accreditation to training staff, were significant and had to be funded externally. In 2009, AfriCert spent 14,000 Euros to renew our five-year ISO accreditation and about 7,000 Euros in annual subscription fees. AfriCert can sustain these running costs because the agricultural economy is Kenya is large. But countries with smaller agricultural economies cannot support an independent certification company.

From inception, AfriCert provided cost-effective certification services to farmers in East Africa, many of whom are smallholders. In the early 2000s, smallholder farmers growing horticultural crops for export were struggling to meet the costs of certification for emerging private standards. European-based companies were charging up to US$8,000 to certify a single farm, excluding travel and accommodation expenses.

In early 2004, AfriCert received approval from Eurep GAP, the predecessor of GLOBALG.A.P, to offer non-accredited certification services to farmers. That same year, we became the first company in East and Central Africa to receive International Organisation of Standardisation accreditation for GLOBALG.A.P and Utz Certified standards. AfriCert's auditors speak local languages and are familiar with agricultural conditions in East Africa. In Kenya, AfriCert has a 40% market share for certification of the GLOBALG.A.P standard.

In 2009, AfriCert established a branch in Ghana to certify farms growing cocoa, palm oil and fruit for export to Europe and the USA. The Ghana office does not have its own ISO accreditation – it is linked to the Kenya office. Detailed audit reports are drawn-up in Ghana and sent to Kenya for accreditation. Every decision on when and where to establish a certification body must be considered purely from a business point of view.

I would like to see more African accreditation companies, which would lower costs for producers. A precedent has already been set in Kenya where AfriCert, the first African accreditation company for agriculture, has brought down the average cost of certification. The Rwandan agricultural sector cannot support its own certification company – it is not large enough. But there is no reason why certification companies could not operate regionally, increasing their market size and lowering their operating costs.

13. Standards and the regions

In early 2010, I took up a new post at the headquarters of the Common Market for Eastern and Southern Africa (COMESA) in Lusaka. My work as the Regional Process and Partnerships Co-ordinator for the Comprehensive Africa Agriculture Development Programme (CAADP) involves advising national governments and departments of agriculture. CAADP is an initiative of the New Partnership for Africa's Development (NEPAD), adopted by African governments in 2003. Among its most important commitments is that governments should spend 10% of their national budgets on agriculture, in order to achieve a minimum annual growth rate of 6% in agricultural GDP.

COMESA spans 19 member states and a market of 400 million people. Established in 1994, the combined regional market has a GDP of about US$450 billion. Trade within our bloc has grown from US$3.2 billion in 2000 to US$15 billion to 2008, an encouraging development. The potential of the regional market for staple and horticultural crops is under-exploited. Pests and diseases cause significant crop destruction every year in Africa. Countries which fail to satisfy SPS standards are denied access to other regional markets. For example, many states within COMESA are unable to export agricultural produce to South Africa – our largest market

– because they cannot meet the strict criteria for SPS standards.

More regional trade in foodstuffs would improve food security. Within COMESA, it is common for one country to produce a surplus of a staple crop while another experiences famine conditions. Different laws and SPS procedures are a barrier to regional trade. Strict enforcement of harmonised standards would increase regional trade and improve the potential for exports further afield. Poor infrastructure, a shortage of adequate storage facilities and weak marketing institutions have stymied transportation of crops within the region. Weak SPS regulatory systems are another barrier to the free movement of agricultural goods.

Regional organisations are the best prospect to improve the capacity of African states to comply with international standards for agriculture. Closer regional collaboration will enable countries to understand what works, and what does not. In COMESA, our attempts to coordinate SPS standards depend on three regional 'reference' laboratories:

1. The Kenya Plant Health Inspectorate Services (KEPHIS).
2. The Food Technology Laboratory in Mauritius
3. The Veterinary Laboratory at the Central Veterinary Research Institute in Zambia

Reference laboratories investigate threats to plant, animal or food safety in their respective regions. They share knowledge and experience to develop practical responses. Regional marketing institutions, such as the Food and Agriculture Market Information System (FAMIS), can help countries to source crops efficiently and cost-effectively. Regional organisations are the best platform to negotiate Mutual Recognition Agreements with export markets.

14. Conclusions and recommendations

International standards are a passport to international markets. This is especially true in agriculture. Standards should not be viewed as a barrier to trade. Compliance with standards can help farmers to improve productivity, and protect them from external threats. Consumers, producers and the environment all benefit from effective agricultural standards. To suggest that standards are formulated by governments or retailers in developed countries to block imports from Africa, and elsewhere, is wrong.

On occasion, African ministers and others in government have alleged that international standards infringe national sovereignty. But sovereignty entails responsibilities. If governments want to increase agricultural exports from their country, they must be able to guarantee compliance with the SPS standards set by importing countries and international standards-setting bodies. However onerous, the same requirements apply to all exporters.

African governments must commit adequate financial and scientific resources to ensure compliance with statutory SPS regulations. Building capacity to implement SPS systems requires cooperation between farmers and regulatory authorities. In order for each 'side' to understand the other, priority should be given to:

- Revising outdated food safety, plant and animal health legislation
- Designing and implement effective border controls
- Funding for national and regional laboratories specialising in food safety, plant and animal health
- More extensive and efficient inspection services
- Education of smallholder farmers

African governments must pursue 'equivalence' and equivalent measures for SPS protection. Since 2006, when the EU recognised the Kenya Plant Health Inspectorate Services (KEPHIS) as a 'competent

authority', the incidence of border inspections of consignments of exports of Kenyan fresh produce has declined to a negligible level.

Donors should assist African states to agree 'equivalent' SPS measures with export markets. African governments often lack the resources and skills to comply with international SPS standards. Donor support for bilateral or multilateral Mutual Recognition Agreements can have a lasting impact on the export capacity of African countries. Assistance should include:

- Education of smallholder farmers on pesticide residue limits, or traceability systems
- Building capacity for inspection services and authorities
- Secondment of skilled personnel
- Equipment for plant or animal research laboratories

Commercial agriculture needs direction, whether by governments or from the private sector. In Kenya, the production, collection and export of all fresh produce is organised by a large and experienced private sector. Exporters, many of them large commercial estates, ensure that smallholder producers are compliant with standards for export. The government supports the private sector by updating legislation and maintaining effective regulatory institutions. In Rwanda, the private sector is small but the government intervenes throughout the supply chain. By encouraging land agglomeration, promoting cultivation of horticultural crops, and providing oversight of standards, the government is seeking to fill the role played by the private sector in Kenya. Consequently, the Rwandan private sector and the capacity of regulatory institutions is growing.

Private standards should take greater account of local conditions. In Kenya, compliance with GLOBALG.A.P has improved farming practices and the quality of horticulture. But GLOBALG.A.P and other private standards are complex, and include many provisions which are not relevant to African smallholders.

Simplified private standards would assist smallholders. More local certification companies would lower costs. Certification for private standards remains too expensive for most African farmers, especially smallholders – and there are too many private standards. Fewer private standards and more national, or regional, certification companies in Africa would make compliance easier and less expensive.

Environmental protection and sustainability must be a priority in Africa. African producers must be responsible, and governments must be vigilant. The environment has been largely neglected in policy debates about commercial agriculture in Africa. The WTO should be authorised to enforce sanctions on countries or private companies which exploit natural resources in an environmentally unsustainable manner. WTO trade agreements do not require producing countries to protect the environment. Trade is considered unsustainable only when the environment of an importing country is threatened.

Fish stocks are more important than short-term profit. Over the past decade, the fish stocks in Lake Victoria have been depleted significantly. About 80% of fish exported from East Africa is Nile Perch. Europe, the largest export market, demands lean rather than fatty Nile Perch. Local fishermen concentrate on catching juvenile fish, leading to poor rates of replenishment and higher prices in local markets. This is just one example of under-regulation, and a consequence of irresponsible profit-seeking at the expense of a sustainable industry.

Agricultural standards are a 'regional public good'. A common – or harmonised – framework of agricultural standards, within and between Africa's regional economic communities, is necessary to achieve and maintain food security. The movement of key staple crops in Africa is hampered by poor harmonisation of SPS standards. From a regional perspective, priorities must include:

- Investment in regional reference laboratories to identify and contain threats to food safety

- Development of better regional information sharing systems for SPS measures
- Improved regional agricultural marketing systems
- More workshops to transfer skills , including secondments to institutions with advanced SPS systems
- Improved infrastructure, and redevelopment of main regional trade routes

The issue of standards in agriculture is central to Africa's wider prospects. The costs of building effective standards are a real and legitimate concern, but not insurmountable. In human, economic and ecological costs, the consequences of failure to develop effective standards for agricultural trade are punitive. Disparate and unreliable national systems slow economic growth. They distort pricing and markets. Until all African governments find ways to cooperate in the implementation of agriculture standards, other measures to achieve food security will be frustrated.

The size of a national economy, for example, is rarely a factor in whether or not a country complies with agricultural standards. Political will is more significant than economic clout. For example, Nigeria has a poor record for meeting international standards although its agricultural sector is large and includes a skilled workforce. Namibia, a small and less fertile country, has a far better record of compliance. Rwanda, ranked 165 out of 179 countries in the United Nations Human Development Index in 2008, has the highest population density in Africa but an improving record of meeting international standards. The record of all African agencies in developing standards – within governments, the private sector and regional groupings – is a largely neglected, but telling index of their seriousness and competence.

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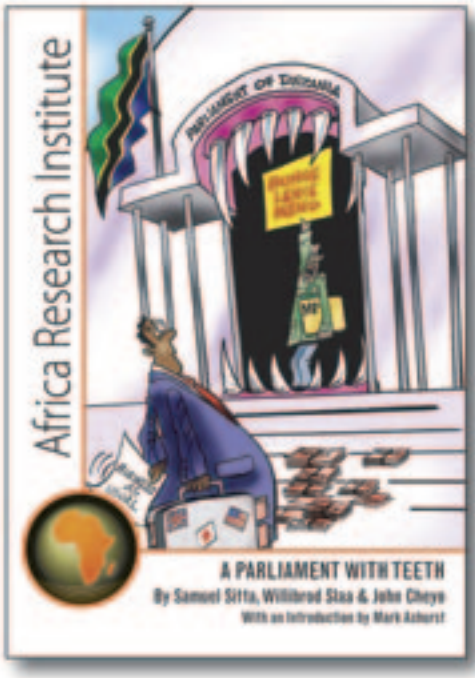

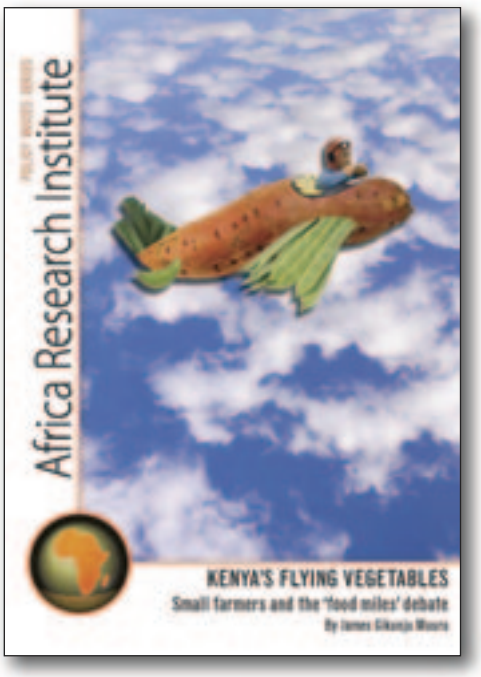

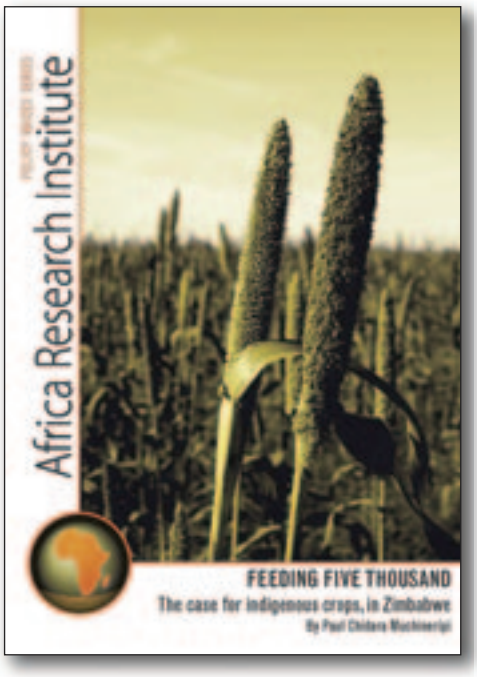

Ground Control
Making the grade in agriculture

By Martha Byanyima

Agriculture is Africa's single most important competitive advantage in the global economy. Two thirds of Africans depend on agriculture for their livelihood. The sector accounts for 30-40% of the continent's GDP, and almost 60% of export earnings. Flowers, fruits and vegetables from Africa are increasingly present on the shelves of European supermarkets. Smallholder farmers supply out-of-season produce from consumers in Europe and further afield. While predictions of an African Green Revolution are overstated, agriculture remains Africa's most viable answer to globalisation.

Standards for agriculture – particularly horticulture – are exacting. European governments have devised regulations for imported crops. African governments which fail to impose necessary checks across the entire agricultural supply chain are denied a market for their produce. The private sector, too, is increasingly involved in setting standards for agriculture. A parallel system of private voluntary standards responds to consumer concerns for food safety, the environment and labour conditions. Farmers in Africa – large and small – have had to adapt their methods to satisfy governments, retailers and consumers in export markets.

In this timely study, Martha Byanyima chronicles the history and development of agricultural standards in Africa. Although iinternational standards often are considered a barrier to trade, she argues that they are in fact an opportunity – both within and outside Africa. Martha recognises the progress made by African countries to comply with agricultural standards, but is candid about that the difficulties which lie ahed. Institutional reform, education of smallholders and coordination of supply will test the skills and determination of African countries keen to increase their stake in a burgeoning global trade.

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