Solving the problem of trade information asymmetries in Africa: The role of ARSO DISNET UPDATES

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Trade information asymmetries in Africa, Purpose for ARSO DISNET

ARSO Mandate is to promote Intra-African and global Trade --- Accessing Markets.

- Every market has two sides of the coin - buyers and sellers – Exporter and Importer.

- Obtaining needed goods and services is the purpose of market activity.

- **Information is the glue that binds buyers and sellers together.**
  - Every business transaction is driven by information
  - Sellers signal and inform markets with information about their products and services
  - Buyers have information about their tastes and preferences, price points, delivery terms, and the like.

**KNOWLEDGE GAP**
Standards give Information on Products
Trade information asymmetries in Africa

Information asymmetry - where one party has more or better information than the other.

- Information asymmetry causes markets to become inefficient
- Market failure

• Characteristics -
  - producers of higher-quality products fail to adequately signal the marketplace about the availability of these products.
  - Buyers lack awareness and knowledge about the availability of higher quality products
  - lower-priced and lower-quality products are transacted
  - higher-quality products are displaced in the marketplace.

Low Intra-African Trade - discriminatory, non-transparent, different technical regulations, standards, and conformity assessment procedures across the continent.

WTO – Encourages Transparency
The Value of Information Symmetry

Seller
- Seller Knowledge of Product/Service Features, Benefits and Capabilities
- Seller Assumptions About Buyer's Application, Needs and Requirements
- Negative Seller Outcomes
  - Re-work Costs
  - Attrition
  - Service Costs
  - Lost Sales

Buyer
- Buyer Knowledge of Application, Needs and Requirements
- Buyer Assumptions About Seller's Product/Service Features, Benefits and Capabilities
- Positive Outcomes Achieved for Buyer and Seller
  - No Added Costs
  - Product Fit
  - Repeat Business
  - Value for Money
- Negative Buyer Outcomes
  - Needs Not Met
  - Wasted Time
  - Wasted Money
  - Product Failure

Information Symmetry
- Mutual Understanding and Expectations
**ROLE OF ARSO DISNET SCOPE**

- **ARSO-DISNET is a network** - promotes the collection, dissemination and use of information on national and regional standards, technical regulations and related measures in Africa, in support of ARSO's principle mandate; “...to reduce technical barriers to trade and therefore promote intra- African and international trade as well as enhance the industrialisation of Africa.”

- Provides platform for **networking, cooperation and partnerships**,
- **capacity Building**

- **Operates within the ARSO Strategic Objective 2**: Disseminate harmonized standards and guidelines to support intra, inter African and international trade and industrialization.
# ROLE OF ARSO DISNET Components - Structure

- **ARSO Library** - **Repository** and the **Clearing and forwarding** nerve center for the ARSO DISNET
- **The ICT** - extending awareness of **operational importance of the digital revolution** *(Facebook, twitter, websites, ICTs)*
- **Publishing House** - Ensure availability of key original African Information on standardisation is published and made available.
- **African Trade Web Portal** - Providing virtual information on the need to meet and **demonstrate compliance with quality standards, buyers’ requirements, trade regulations, tariffs and non-tariff barriers** on African products.
ROLE OF ARSO DISNET

Membership

- All Countries Urged to send Experts
1. The Holding of the First ARSO DISNET Training Meeting on 10th – 12th February 2015, Nairobi Kenya for the National DISNET member Countries

The Training covered
- Role of the of the DISNET
- Data Input for the updating of the African Trade Web portal by the
- Training on TBT Issues and effects on trade.
- The Standardisation Process and ARSO activities
- **Sponsored by PTB - Germany**
ROLE OF ARSO DISNET
ACHIEVEMENTS


- Defines the Scope, mission, strategic objectives, activities,
- Business Environment of ARSO-DISNET – for virtual Information
- Expected Outcomes
- Members Obligations.
- Work plan
ROLE OF ARSO DISNET

Election of the Steering Committee

- **Chairperson** - Nigeria as represented by Mr. Ibrahim Abdulllahi (SON),

- **Secretary** - Zambia as represented by Mr. James Mwewa (ZABS).

Other elected members of the ARSO DISNET Steering Committee

- **Cote d’Ivoire** - as represented by Mr. Edmond Kouassi-(CODINORM)
- **Egypt** - as represented by Dr. Dalia Talaat Shehab Eldin (EOS)
- **Kenya** - as represented by Mr. Evanson Ndungu (KEBS)
- **South Africa** - as represented by Ms. Thato Chabeli (SABS).

Organise their activities and meetings as per work plan
### ROLE OF ARSO DISNET

#### 3. ESTABLISHING SECTOR WORK GROUPS,

<table>
<thead>
<tr>
<th>Sector</th>
<th>Convener</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Energy</strong></td>
<td>Kenya</td>
<td>Botswana, Cote d’Ivoire, Egypt, Ghana, Kenya, Nigeria, South Africa, Tanzania, Zambia, Zimbabwe</td>
</tr>
<tr>
<td><strong>Mining</strong></td>
<td>South Africa</td>
<td>Botswana, Cote d’Ivoire, Egypt, Ghana, Kenya, Namibia, Nigeria, South Africa, Tanzania, Zambia, Zimbabwe</td>
</tr>
<tr>
<td><strong>Agro - Processing</strong></td>
<td>Cote d’Ivoire</td>
<td>Cote d’Ivoire, Botswana, Burkina Faso, Cote d’Ivoire, Egypt, Gabon, Ghana, Kenya, Namibia, Nigeria, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>Egypt</td>
<td>Egypt, Botswana, Cote d’Ivoire, Egypt, Gabon, Ghana, Kenya, Namibia, Nigeria, South Africa, Tanzania, Zambia, Zimbabwe</td>
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</tbody>
</table>
## ROLE OF ARSO DISNET

### 4. IDENTIFYING PRIORITY TRADE PRODUCTS

<table>
<thead>
<tr>
<th>Sector</th>
<th>Convener</th>
<th>Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>Micro Generator equipment, Biogas, Solar</td>
<td></td>
</tr>
<tr>
<td>Mining</td>
<td>Iron, Steel, Coal, Gemstone(Tanzanite)</td>
<td></td>
</tr>
<tr>
<td>Agro - Processing</td>
<td>Chilli Sauce, Rubber, Tobacco and tobacco products</td>
<td>Tomatoes, Beverages, Agribusiness, Agro processing</td>
</tr>
<tr>
<td></td>
<td>Agriculture and food security, Beef, Poultry, dairy products, Fish,</td>
<td>Cashew, Cocoa, Cashew, Cassava, fruits (Mango, Banana), Palm Produce, Ground nuts, Melon,</td>
</tr>
<tr>
<td></td>
<td>Sorghum, Millet, COCOA, Cashew, Cotton, Cassava, fruits (Mango, Banana),</td>
<td>Ginger, Coffee, Tea, Edible oil, Pulses (Beans, Peas), Shea butter, Sesame Onions, Honey, Rice</td>
</tr>
<tr>
<td></td>
<td>Palm Produce, Ground nuts, Melon, Ginger, Coffee, Tea, Edible oil,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pulses (Beans, Peas), Shea butter, Sesame Onions, Honey, Rice</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>Water, Animal Welfare, Herbal Medicine, Tourism, Plastic pipes, Paints</td>
<td></td>
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</table>
ROLE OF ARSO DISNET
5. Updating of the Webportal


- **Meat and Meat products** - Namibia and Zimbabwe.


- *Countries are encouraged to submit their products information*
ROLE OF ARSO DISNET

6. Enhanced ICT Platform

- **ARSO Microsoft SharePoint System:** Installation and Set up of ARSO Microsoft Sharepoint System - document management system for use by ARSO Technical Harmonisation Committees, working groups, in the Harmonisation of Standards in Africa.
  - Password Access for all the THCs and DISNET Experts
  - The Users/Experts are able to add documents, provide discussions, post new work items, use the task scheduler, and many more facilities the system can offer.

- **ICT Staff: Capacity Building.**
- Recruitment of the ICT Assistant Officer for sustainability in the Management of the AWTP.
- Advanced Training of the ARSO ICT Officer on the advanced Web Portal Management and Information Technology through online Training on Microsoft Server Expertise on ASP.NET in Nairobi, Kenya.
  - **Courtesy of the PTB Sponsorship.**
  - **Development of Mobile Applications for the Library and ARSO Events.**
NSBs as the Engine.

1. **NSBs Information**: Members of ARSO-DISNET shall develop their information activities adequately so as to respond satisfactorily to enquiries on standards, conformity assessment, technical regulations and related documents.

2. **NSBs Catalogue**: Each member of ARSO-DISNET shall keep an up to date catalogue or list of standards, draft standards and regulations published in its own territory.

3. **Awareness by Members**: ARSO-DISNET members shall make the services offered by ARSO-DISNET known throughout their regions and shall assure the success of the Network by taking an active part in the various activities organized act by ARSO-DISNET.

4. **Capacity Building**: ARSO-DISNET members shall undertake to provide one another with mutual assistance with respect to ARSO DISNET guide, particularly in relation to technical advice on information systems operations and training.

5. Leveraging on the information capacities of the National Enquiry points

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**Roles:**

- Identifying the best regional and international sources on technical standards
- Identifying the best sources on standards Information
- Developing a structured list of favorite links (bookmarks)
- Developing simple databases (experts; institutions; projects)
- Creating a web catalogue of publications
- Preparing answers to Frequently Asked Questions (FAQ)
- Using Web applications for sharing information
- Devising a scheme for promoting the services of the NSB Information Centres
- Monitoring and measuring the progress & impact of the NSBs Information Systems
- June 2015 –
  ✓ Addressing the TBT Agreement implementation in the ACP Regions

- July 2015 – Special Newsletter on the ARSO President Forum – Focus on SMEs needs – Made in Africa Expo

- August 2015 – Special Newsletter on the 21ST ARSO GA Events
  - Articles are welcomed
Thank you
Merci
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For more information view: www.arso-disnet.org or email: disnet@arso oran.org

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