Relevance of African Standards for use in national, regional and international trade regimes linking to existing regulatory framework within RECs and AU

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Technical Director, ARSO
ARSO was established in 1977 by UNECA and OAU with the mandate to:

- Harmonize national and regional standards and issue necessary recommendations to Member States in this regard;
- Initiate and coordinate the development of African Standards with references to products which are of particular interest to Africa;
- Promote and coordinate standardisation and conformity assessment systems in Africa;
- Encourage and facilitate adoption of international standards by Member States;
- Encourage and facilitate the development by AU Member States of technical regulations to be based on African and International Standards;
- Support the establishment of effective national standards bodies in Member States;
- Coordinate the views of its members at international level; and
- Create appropriate bodies in addition to the organs of ARSO for the purposes of fulfilling its objectives.
Need to Match the Pace of African Integration Agenda

- The motivation for matching the agenda is to keep true to the spirit of the founding of ARSO:
  - Increasing Intra-Africa Trade
  - Facilitating Industrialization and African self-reliance

- By aligning technical work with continental development priority sectors

21/08/2015
Pan-African Initiatives

- Many initiatives (Most notable – Cape to Cairo Transport System (Road and Rail))

- Implementation often slow but still being pursued – And sometimes suffers from self-inflicted “Afro-Pessimism” or the dissuasions of “Afro-Sceptics”

- Maxims like Value Addition or Commodity-Based Industrialization are references to use of standards but not usually translated so:

  “We know our destination, but we are not aware of the necessary vehicles to take us there”
What Informs Our Standards

In-depth reviews of:

- Sub-Regional Development Projects
- Trade Data from EAC Secretariat – Statics and priority development sectors
- Trade Data and Statistics from COMSTAT
- Trade Data and Statistics from United Nations Commission for Africa (UNECA)
- Sector Specific Study Reports
- African initiatives such as CAADP which requires standards for agricultural products
- Ministerial Decisions and Action Plans such as EAC Food Safety And Nutrition Action Plan, The Pan African Nutrition Initiative
Political drivers

- Regional integration has moved a step further
- Tripartite Free Trade Area Agreement – Launched 10th June 2015 in Egypt
- Continental Free Trade Area (CFTA), 2017
- Abuja Treat of 1991 for the establishment of the African Economic Community by 2025
- The provisions of Chapter XI Article 67 of the Abuja Treaty for an African Standards and Quality Assurance System
- Political agenda of the international community
- Integrating Small and Medium Enterprises (SMEs) and the informal economy
- Critical reviews are required at the NSB level to align national to integration obligations
Economic drivers

- Fast-tracking of the African Continental Free Trade Area: The driving role of standards
- Boosting intra-Africa trade to 25% in the next 10 years from the current 10 %
- Accelerating infrastructure development
- Improvement of Africa’s competitiveness on world markets
- African policies towards sustainable development and poverty reduction
- Food and nutrition security
- Economies of scale for industry
- Capitalisation on the knowledge-based economy
Societal drivers

- Pressure from consumers;
- Poverty reduction initiatives;
- Societal protection and disaster management;
- The drive for social responsibility and fair trade;
- The quest for adequate health and social care for all at an affordable cost;
- The diversity (linguistic, cultural, religious,..); and
- The quest to meet Sustainable Development Goals (SDGs)
## Integration stages in the Abuja Treaty

<table>
<thead>
<tr>
<th>Stage Description</th>
<th>ECOWAS</th>
<th>COMESA</th>
<th>ECCAS</th>
<th>IGAD</th>
<th>CEN-SAD</th>
<th>EAC</th>
<th>SADC</th>
<th>Completion date in the Abuja Treaty</th>
</tr>
</thead>
<tbody>
<tr>
<td>First stage (5 years): Strengthen RECs</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>1999</td>
</tr>
<tr>
<td>Second stage (8 years): Coordinate and harmonize activities and progressively eliminate tariff and non-tariff barriers</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>X</td>
<td>Achieved</td>
<td>Achieved</td>
<td>Achieved</td>
<td>2007</td>
</tr>
<tr>
<td>Third stage (10 years): free trade area and customs union in each REC</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>2017</td>
</tr>
</tbody>
</table>

## At continental level

<table>
<thead>
<tr>
<th>Stage Description</th>
<th>ECOWAS</th>
<th>COMESA</th>
<th>ECCAS</th>
<th>IGAD</th>
<th>CEN-SAD</th>
<th>EAC</th>
<th>SADC</th>
<th>Completion date in the Abuja Treaty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fourth stage (2 years): continental customs union</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>2019</td>
</tr>
<tr>
<td>Fifth stage (4 years): continental common market</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>2023</td>
</tr>
<tr>
<td>Sixth stage (5 years): continental economic and monetary union</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>Not Achieved</td>
<td>2028</td>
</tr>
</tbody>
</table>

X represents the current stage of integration of each REC.
Role of Standards in Regional Integration

- **Preferential Trade Area (PTA):** Agreement of preferential conditions, such as lower customs duties or higher import quotas for certain goods.

- **Free Trade Area (FTA):** Extensive reduction of trade restrictions between the member states, usually covering the overall trade in goods.

- **Customs Union (CU):** Elimination of internal trade restrictions and introduction of common external tariffs, often in connection with the reduction of additional impediments, such as administrative barriers.

- **Common Market (CM):** Expansion of the freedom of movement of goods to the elimination of obstacles in other areas, such as free movement of capital, services and labour.

- **Economic Union:** Establishment of a uniform internal market, including the harmonization of national policies and of the economic framework.
The elimination of technical barriers to trade (TBTs) constitutes one of the fundamental requirements of any regional integration. These TBTs arise due to the discrepancy of national standards of trading partners from international standards and they have the following consequences for international trade:

- products, processes and systems are subject to different mandatory requirements and may therefore violate legal regulations of the trading partner,
- testing procedures that assess the conformity of products, processes and systems against defined requirements may not be recognized,
- conformity assessment bodies of the trading partner which cannot prove their competence against agreed standards may not be trusted.
Status of Harmonization and Adoption of African Standards

(i) Low participation of Member States in the African Standards harmonization on account of inadequate resources;

(ii) Binding requirements with the REC arrangements;

(iii) The missing link between the REC integration as building blocks for continental integration resulting in the misconception that REC integration is a final integration goal;

(iv) A perception that African Standards may require Member States to lower the quality of their own standards;

(v) Lack of awareness of the existing legal and technical framework for the adoption of African Standards within RECs and Member States;

(vi) Persisting sentiments of national protectionism and self-sufficiency;

(vii) Misperceptions by technocrats about the commitments of the continent’s political leadership leading to technocratic inertia;

(viii) Afro-scepticism and internal doubt;

(ix) Unrelenting historical affiliations.
The Role of NSBs in Regional Integration

- National Standards Bodies (NSBs) of Member States are the process owners in the harmonization of African Standards. They are also the primary movers in the adoption of African Standard and establishment conformity assessment systems in that respect thereof.

- NSBs are the technocratic actuators of their national obligations in continental commitments in as far as trade facilitation hinging on the quality infrastructure is concerned.

- It is the obligation of the NSBs to interpret the Decisions, Declarations and Resolutions of the political leadership in the AU and to formulate appropriate responses in terms harmonized African Standards and conformity assessment as a key contribution to free movement of goods and services. Harmonized African Standards and conformity assessment are key to creating trust and confidence to foster trade among African countries and offers key opportunities to stimulate socioeconomic development in Africa.
The CFTA members will need to appreciate and recognize the importance of standards, metrology, conformity assessment and accreditation. CFTA members will need to harmonize their practices in this area to achieve mutual product recognition. Cooperation with national, regional and international standards bodies will need to be promoted. Members will thus need to develop and adopt a policy framework (annexed to the CFTA protocol), consistent with the provisions of the relevant WTO agreement.” (Source: ARIA V; UNECA, 2012)
AU Initiatives requiring Standards

- Continental Free Trade Area
- Programme for Infrastructure Development in Africa (PIDA)
- Boosting Intra-African Trade
- Business Process Outsourcing (BPO)
- Comprehensive Africa Agriculture Development Programme (CAADP)
- Action Plan for the accelerated industrial development of Africa (AIDA)
- Agribusiness and Agro-business Development Initiative (3ADI)
- Environment and Climate Change
- Africa Mining Vision, 2050
### Aligned Technical Work

<table>
<thead>
<tr>
<th>African Priority Sector</th>
<th>ARSO THC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Compatibility</td>
<td>01 Basic and General Standards</td>
</tr>
<tr>
<td>Food and agro-based industries</td>
<td>02 Agriculture and Food Products</td>
</tr>
<tr>
<td>Building and construction industries</td>
<td>03 Building and Civil Engineering</td>
</tr>
<tr>
<td>Metallurgical industries</td>
<td>04 Mechanical Engineering and Metallurgy</td>
</tr>
<tr>
<td>Mechanical industries</td>
<td>06 Electrotechnology</td>
</tr>
<tr>
<td>Electrical and electronics industries</td>
<td>05 Chemistry and Chemical Engineering</td>
</tr>
<tr>
<td>Chemical and petro-chemical industries</td>
<td>09 Environmental Management</td>
</tr>
<tr>
<td>Environmental Protection; Forestry industries; Energy industries</td>
<td>10 Energy and Natural Resources</td>
</tr>
<tr>
<td>Textile and leather industries</td>
<td>07 Textiles and Leather Products</td>
</tr>
<tr>
<td>Transport and communications industries</td>
<td>08 Transport and Communications</td>
</tr>
<tr>
<td>Biotechnology industries</td>
<td>Agriculture and Food Security (THC 02)</td>
</tr>
<tr>
<td><strong>African Enterprise Competitiveness</strong></td>
<td>11 Quality Management Systems</td>
</tr>
<tr>
<td><strong>Trade in Services</strong></td>
<td>12 Services</td>
</tr>
<tr>
<td><strong>Health Services</strong></td>
<td>13 African Traditional Medicine</td>
</tr>
</tbody>
</table>
Why we need African Standards

- Unique situation of African context in terms of social set up, cultural values, climatic and environmental differences
- African participation in international standards setting is limited
- Most international standards do not sufficiently address African products and conditions (see Maize, textiles, farm implements, industrial products, etc.)
- African standards will remove technical barriers to trade and enhance intra-Africa trade.
CONSTITUTION
OF THE AFRICAN REGIONAL ORGANIZATION
FOR STANDARDIZATION
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