



**Standards and Trade
Development Facility**

MOBILIZING AID FOR TRADE FOR SPS-RELATED TECHNICAL COOPERATION IN EAST AFRICA

SPS BALANCE SHEET FOR KENYA

Research work for the Standards and Trade Development Facility

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This report reflects the views of the author alone and does not represent the views of the STDF or any of its partner agencies or donors.

1. Introduction

1. The objective of this STDF research work is to further strengthen the linkage between "supply" and "demand" of technical cooperation in the area of food safety, animal and plant health (collectively known as sanitary and phytosanitary or SPS) requirements. As such, this research is being carried out in the framework of the broader Aid for Trade Initiative. The work builds on existing capacity assessments in the SPS area of capacity evaluation tools developed and applied by international organizations such as the Food and Agriculture Organization (FAO) and the World Bank, as well as other studies and reports. It is not a new capacity evaluation, but rather an attempt to consolidate the results of previous studies.

2. This report presents a balance sheet of needs and supplies in the SPS area for Kenya. Similar balance sheets have been developed for Tanzania and Uganda, as well as at a regional level. The aim of the report is to strengthen the supply and demand for SPS-related technical cooperation by:

- acting as a focus for information sharing of needs evaluations and ongoing and planned activities; and
- identifying gaps where they exist and further mobilizing the provision of capacity building resources as necessary.

2. Overview of priority action areas

3. The Investment Programme for the Economic Recovery Strategy (IP-ERS) for Wealth and Employment Creation 2003-2007 (in the process of being replaced by "Vision 2030") and the National Export Strategy Implementation Action Plan 2005-2008 set out Kenya's economic growth and poverty reduction targets. Although the new government can be expected to update these strategy documents, the main constraints faced remain the same. Kenya's agriculture and food processing sector has a key to play in achieving poverty reduction and economic growth targets. Within this sector, a range of SPS issues act as a brake on productivity, impede access to potential markets and impose losses on the economy as a result of the burden of food-borne illness. The Strategy for Revitalizing Agriculture (SRA, 2004) aims to make Kenya's products more competitive on international markets and improve producers' incomes.

4. Kenya has several "flagship" agro-industries which are successful models of export-led growth, in particular cut flowers, fresh vegetables, tea and fish. Within these success story sectors, SPS issues act as a brake on further growth and impose important control costs. A range of plant pests and diseases reduce fruit and vegetable production and the possibility of extending the successful model of small-holder supply chains into new product groups and growing areas. Ever more stringent food safety rules in key export markets with respect to residues of agro-chemicals and microbiological contamination require constant commercial vigilance, proactive regulatory action and effective research capacity to develop and deploy alternate control methods to maintain export volumes. Process based private standards designed to minimize food safety risks are being extended into environmental and social issues. A further challenge, although also not SPS-specific, is that posed by environment campaigners in certain key markets with regard the impact of air transport on climate change.

5. The lake fisheries sector is an example of where SPS issues have closed down a key export market. Fortunately, the sector is also an example of how these constraints have been successfully overcome. In the wake of export restrictions to the EU market in the late 1990s, Kenya upgraded compliance capacity in the lake fisheries sector, with assistance from a variety of donors, and reduced its dependence on the EU market by accessing new markets including Israel, Singapore, Japan and Australia. The last EU Food and Veterinary Office (FVO) inspection in 2006 noted excellent performance by the competent authority. However, SPS compliance is a process of continuous improvement. Thus, whilst noting the excellent performance with

respect to enforcement of local standards, the FVO still raised a number of concerns in relation to sanitary controls, in particular in relation to their equivalence with EU legislation in areas such as the ability to test for histamine and heavy metals.

6. SPS issues remain an absolute block for access to many markets for the livestock sector, a drain on productivity and threat to livelihoods for small farmers. The continued prevalence of important animal diseases for livestock trade, weak veterinary infrastructure, facilities and services, low rates of investment in slaughterhouses, meat processing and distribution services mean that Kenya's meat export opportunities are limited to intra-regional trade, mainly in live animals. The on-going efforts of the Kenyan Government, Department of Veterinary Service, the Dairy Board and private sector to improve the animal health situation and to support the sector in line with international standards need to be further supported.

7. The decline in coffee exports, one of Kenya's major traditional cash crops, has been exacerbated by pest and disease problems. A main export earner and a means of livelihood to several hundred thousand people, the sector has contracted by half during the last 20 years. Factors attributed to the decline are mainly related to commodity price decline, competition in the world coffee market, inefficiency in market arrangements and other issues. Against this background of economic downturn, the ability to control pests, diseases and weeds has also declined, so exacerbated the production downturn.

8. Food-borne diseases remain a problem in Kenya. Up to 70% of all episodes of diarrhoea may be attributed to ingestion of contaminated food and water. The most prevalent diseases in the year 2004 were typhoid dysentery and gastroenteritis, which affected 643,151, 600,660, and 722,275 people respectively. Others include aflatoxin poisoning (323), brucellosis (198) and cholera (68). Some of these are seasonal and require adequate planning for preventive response. For example, aflatoxin poisoning prevalence peaks during food shortages and rainy seasons preceded by drought conditions within specific regions, while typhoid peaks mainly during the rainy seasons. In addition, available statistics are not well documented and processed for use in decision-making. Investigations into causative factors and magnitudes of exposure to trigger their management are inadequate and require strengthening.

9. The burden of food-borne disease also creates a difficulty in the service sector, in particular for the tourism trade. The tourist sector's backward linkages related to the supply of safe food, hygiene and sanitation issues need to be properly addressed. For income from visitors to be maximized and the likelihood of return visits increased, food-borne risks need to be reduced.

10. Kenya's successful penetration of the EU market, in particular for cut flowers and fresh vegetables, can mask its equal success in expanding south-south trade. A growing range of primary and value-added products is going to the East African Community (EAC), the Common Market of East and Southern Africa (COMESA), the Middle East, Asia, Russia, Israel and other markets. In particular, Kenya has taken advantage of the improved trading opportunities afforded by the East African Customs Union and COMESA. Continued diversification both in the range of products traded and markets need to be further strengthened. Key in this respect is supporting the private sector associations which have been so prominent in driving the success development of their sectors (horticulture, fish, tea, etc.) and pushing for a supportive government policy environment.

11. Based on existing capacity assessments and evaluations, the following priority areas emerge as not being currently addressed by the existing or planned donor programmes. Addressing these areas would help poverty alleviation by reducing the burden of animal disease and plant pests so increasing small farmer income, generate additional export revenue, and reduce the burden of food-borne disease in the population and on the economy.

- Tackle pest problems limiting expansion in the floriculture and horticulture sectors, in particular due to fruit fly, expand small-holder certification schemes into new production areas and product groups,

and strengthen the public infrastructure underpinning both sectors, both physical (e.g. through laboratory accreditation to international standards) and soft (i.e. through continued training in such areas as pest risk analysis);

- Address disease problems limiting the export of livestock, meat and dairy products through a focused programme of investment and strengthen the performance of Kenya's veterinary services. Consideration should be given to different possible methods for the development of greater meat processing capacity, e.g. through disease free zones, compartments or a commodity-based approach;
- Maintain SPS compliance capacity in the lake fisheries sector through continued investment and training in the public and private sector. The scope for further development of the sector in coastal fisheries and through aquaculture, and associated SPS risks, should be assessed;
- Offer training for trade associations on SPS compliance strategies relevant to their member companies and encourage their efforts to obtain proactive government services in support of their sectoral needs. An important part of market access is related to SPS diplomacy and a close relationship between government and the private sector when it comes to monitoring and reacting to changes in the SPS measures of trading partners. SPS is an area of continual improvement and such capacity needs to be sustained for the long term;
- Update existing regulatory and institutional frameworks with the establishment of generic SPS/food laws and umbrella regulations. A particular need is to push for the adoption of the draft "National Food and Nutrition Policy" and proposed "National Food Safety Focal Point" involving all key relevant stakeholders which will promote integration of SPS issues into planning and budgetary frameworks so raising the profile of SPS issues nationally;
- Provide food safety training in the tourism sector and examine ways to integrate local suppliers into hotel supply chains, as part of a comprehensive evaluation of food safety needs;

3. Overview of ongoing and planned donor assistance

12. The Kenya Joint Assistance Strategy (KJAS, 2007-2011) and Partnership Principles agreed with the Government of Kenya specify the ways in which donors support efforts to economic growth and poverty reduction. Donors in Kenya are organized in the Harmonization, Alignment and Coordination (HAC) group¹. There are also sector and thematic working groups to coordinate support to sectors and subsectors

13. Unlike Tanzania and Uganda, general budget support is limited and currently only provided by the European Union. Specific sector budget support is increasingly being used and efforts could be made for trade and SPS capacity building to figure more prominently in existing basket programmes, focusing for instance on agriculture, private sector development, etc. Finally, it is observed that donor support for specific project and programmes, whether at national, regional, ACP or all developing country level will continue in 2008 and beyond. From the overview of on-going and future planned donor programmes (**Annex I**) it seems that there are significant opportunities to fund outstanding SPS needs and priorities beyond 2008.

¹ As of January 2007, members include Canada, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Spain, Sweden, the United Kingdom, the United States, the African Development Bank, the European Commission, the United Nations, and the World Bank Group. China and Malaysia are recent entrants in the donor arena and are as yet not participants in the HAC.

4. Specific SPS market access constraints

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
Horticulture and floriculture products				
<p>Cut flowers, and fruit and vegetables. are second and third largest export commodity (after tea). Kenya is third largest supplier of cut flowers worldwide (after Columbia and Ecuador), mainly to Europe. Fruit and vegetable exports include fresh vegetables (about 60%, mainly to Europe), preserved fruit and vegetables, and fresh fruit and nuts.</p> <p>Majority of horticultural export products sourced from large estate farms, employing laborers. Sector directly supports about half a million workers, small farmers and families.</p> <p>Success of sector attributed to various factors including <i>inter alia</i> competitive supply chain (off-season producer), vibrant private sector (including associations such as KFC and FPEAK), "light" regulation and taxation, support by KEPHIS, existence of Task Force, etc.</p> <p>Growth opportunities exist for further export of fruit and vegetables (small share of EU market and US market being almost unexplored) and for value addition (semi-prepared and ready-to-eat combinations). Cut flower sector faces increasing competition from other African countries putting pressure on profit margins.</p>	<p>Export of horticultural products depends on ability to strictly adhere to food safety requirements, e.g. strict maximum residue limits, (MRLs) and private (environmental and labour) standards, as well as on plant pest situation (in particular fruit fly) and the pest surveillance and monitoring system. Examples of pest outbreaks (through trade or cross-boundary migration) in different regions/ districts of the country) include <i>inter alia</i> larger grain borer, serpentine leaf minor, cassava bacterial blight, banana nematode, aschoyta blight of cowpeas, fruit fly, etc.</p> <p>High compliance, traceability and certification costs - in particular related to private standards - pose challenges, notably for small-holder farmers. Challenges exist to export to countries demanding pest risk analysis (PRA) (e.g. South Africa, Gulf countries, US markets with large fresh produce export sectors).</p> <p>Expansion in value added sector depends on strong ties with supermarket chains and direct distributors in Europe. Further expansion limited by relatively high transport cost, poor infrastructure, complicated bureaucracy, and high cost of inputs (sprays, fertilizers and security).</p>	<p><i>Specific ongoing and planned activities identified include:</i></p> <ul style="list-style-type: none"> - Netherlands - six WSSD projects support private sector and small-holder farmers and include key partners such as KFC, FPEAK, KEPHIS, HCDA and KARI. - GTZ – Private Sector Development in Agriculture (PSDA) programme (including focus on small-holder farmer group certification). - USAID – SPS activities under African Global Competitiveness Initiative (AGCI) including pest risk analysis, information management system etc (see Annex I). - Various FAO projects and regional fruit fly project (seeking funding). - STDF – Centre of Phytosanitary Excellence for Eastern Africa (including training and regional PRA unit). - EC – 10th EDF (2008-2013), with focus on agriculture, trade and standards compliance. - EC- HORTICAP (strengthening KEPHIS infrastructure). 	<p>Specific SPS-related actions include:</p> <ul style="list-style-type: none"> - Intensify efforts to build awareness on basic/good practice through regular programs, notably for small growers. - Prepare export certification manuals and guidelines, further develop computerized data management system and collect information about SPS requirements of existing and potential (US, Japan, etc.) trading partners. - Improve pest risk assessment and management (monitoring, control and surveillance) capacities (with fruit fly being top priority). - Upgrade analytical capacity of KEPHIS for analysis of contaminants, mycotoxins, heavy metals, pesticide residues, etc. - Streamline regulations on agricultural inputs (to reduce cost). - Examine possibility of establishing pest free places of production and areas of low pest prevalence. - Expand supply base and reduce costs, notably related to certification, for small-holders. 	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>2</p> <p>2</p>

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
Fish and fishery products				
<p>Fish sourced from inland and coastal fisheries, and aquaculture. Sector estimated to employ about 300,000 people directly or indirectly (2004). Total production (2005) is 140,000 MT (90% from Lake Victoria). Major commercial fresh water species include Nile perch (to EU and other markets e.g. Israel, Singapore, Japan and Australia), tilapia (mainly local consumption and emerging regional market) and omena (local consumption/feed). Marine products include prawns, octopus, tuna, sardines, lobster and crab.</p> <p>Fisheries sector recovered after EU trade restrictions on exports of Nile perch in 1990s. Processors organized in Association of Fish Processors Kenya (AFIPEK) and MoU between AFIPEK and Fisheries Department in place.</p> <p>Current concerns over sustainability of sector in Lake Victoria (declining catch, increased wastage at land beaches, poor fishing methods). Inland fisheries sector going through process of rationalization (facilities operating at low capacity). Relatively lesser attention has been given to development of fisheries in Lake Turkana, coastal fisheries and aquaculture.</p>	<p>In 2006, EU Food and Veterinary Office (FVO) inspection noted good performance of official control activities. It also reported following deficiencies:</p> <ul style="list-style-type: none"> - Lack of equivalent regulations and standards to newly established EU standards and regulations; - Deficient conditions in some landing sites and fishing vessels - Deficiencies in designated laboratory for pesticide residues; - Lack of analysis of histamine and heavy metals. <p>The recently adopted Fish Regulations (2007) lack standard operating procedures (SOPs), guidelines and manuals for fresh water, marine and aquaculture fisheries. Training to enforce and implement new Fish Regulations is needed. Government is considering establishment of modern auction centre in Kisumu - for which funding is lacking.</p> <p>Other main issue relates to lack of knowledge of fisheries of modern fishing and handling techniques (including use of ice). Awareness raising and training activities are being conducted by Fisheries Department and beach officers but need to be multiplied.</p>	<p><i>Following the EC bans, support was offered by several donors including FAO, AfDB, UNIDO, EC and World Bank.</i></p> <p><i>Specific ongoing and planned activities identified include:</i></p> <ul style="list-style-type: none"> - EC - Implementation of Fisheries Management Plan for Lake Victoria (ending in 2008 apart from upgrading several landing sites). - EC/Indian Ocean Tuna Commission - Indian Ocean Tagging Project (2004-2009). - EC (Strengthening Fishery Product Health Conditions in ACP countries (SFP, extended until 2010). - EC/IOC Secretariat – Regional Sustainable Management of Coastal Resources (2005-2010); - EC - 10th EDF (2008-2013, with focus on capacity building for fishery organizations on food safety issues, including SPS). 	<p>The following actions are recommended (in line with FVO and other reports):</p> <ul style="list-style-type: none"> - Strengthen inspection and train staff in performing official controls in line with the newly established EU regulations. - Develop manuals, guidelines and the necessary SOPs in line with new Fish Regulations. - Continue education of fisheries on fishing and handling techniques (including use of ice). - Designate competent pesticide laboratories and strengthen analytical capacity for histamine and heavy metal. - Upgrade remaining landing sites. - Attract funds for establishment of auction market with basic facilities for at least four beaches to improve quality control and marketing; - Continue assistance to industry associations training member companies on HACCP/ISO 22000 and consolidate associations' code of practice. - Standardize fish drying and smoking practices (trade to DRC, Rwanda and Burundi). - Conduct feasibility study to explore potential of aquaculture and marine fisheries - including SPS requirements - and develop policy package and guidelines to attract investment. - Conduct study to determine capacity and extent of parasite problem in Lake Turkana. 	<p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>1</p> <p>2</p> <p>2</p> <p>3</p> <p>3</p>

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
<i>Livestock and poultry products</i>				
<p>Kenya has a large cattle herd (13.5m heads) but meat exports constitute less than 1% of total exports (and have been declining since 1990). Livestock is used predominantly for supporting subsistence of rural households. Annual production (2003) estimated at about 363,000 MT (beef) and 16,000 MT (pork).</p> <p>Most important destination for meat exports is EAC region followed by Eritrea, Bahrain and the UAE. Consultations with Middle East countries and Egypt ongoing. Trade in live animals takes place mainly on informal basis, bringing cattle from neighboring countries into Kenya through its “porous” frontiers.</p> <p>Beef production mainly found in arid and semi arid lands (ASALs). Shortcomings exist in sanitary controls at slaughterhouses and meat processing plants. Some canneries rehabilitated and reopened in 2006. Kenya Meat Commission has manufacturing facility (but shelved its regulatory function for now).</p> <p>Poultry population estimated at about 30 million birds. Annual poultry production estimated at 19,000 MT. Five main hatcheries produce over 16 million day-old chicks annually. No information available on trade in wild animals or by- products such as hides and skins.</p>	<p>There are opportunities for targeting exports that will cater to deficits in regional consumption of livestock products. However, a series of SPS constraints have to be overcome:</p> <ul style="list-style-type: none"> - animal health status and disease management (presence of several endemic animal diseases, illustrated by several trade bans, most recently due to Rift Valley Fever in 2007).- - absence of monitoring system to document diseases and actions to eradicate them. - poor hygienic conditions in slaughterhouses, handling and processing facilities (lack of GHP, GMP and HACCP application), and lack of inspection and enforcement. - absence of control and low quality of animal feed. <p>Other constraints are related to transportation (i.e. animals should be slaughtered closer to breeding locations), lack of investment and revamping meat distribution systems (especially informal channels).</p> <p>Directorate of Veterinary Services (DVS) is currently establishing disease free zones, engaging communities through sensitization and education to actively participate in disease reporting and livestock movement control, and involved in animal disease surveillance especially at borders. These activities need further support.</p>	<p><i>Kenya has benefited from support from regional and national projects implemented by inter alia the EC (e.g. Pan-African Program for the Control of Epizootics), FAO and IFAD.</i></p> <p><i>Specific ongoing and planned activities identified include:</i></p> <ul style="list-style-type: none"> - <i>USAID/USDA – PASA projects to conduct animal disease risk assessments (not yet started).</i> - <i>EC/AU-IBAR: Support Programme to Integrated National Action Plans for Avian and Human Influenza (SPINAP-AHI).</i> - <i>World Bank Group: Promoting long term investment in livestock in Kenya..</i> 	<p>Kenya's prime SPS constraint is its animal health status followed by sanitary concerns. Actions to address disease situation depend greatly on capability of DVS. Results of OIE PVS tool (applied in 2006 but not in public domain) should be used to identify actions to strengthen DVS. Increasing role of private sector should be considered in rural areas and public-private investment should be promoted. Some key actions identified in various other studies include:</p> <ul style="list-style-type: none"> - strengthening animal health and disease control monitoring, inspection and surveillance activities; - training inspectors and veterinary personnel. - further strengthening efforts of meat industries (striving to export fresh and frozen and canned products to region and Middle East) through market research, business development and technical assistance on food safety (GHP, GMP and HACCP) and meat technologies. - enhancing animal feed situation. - continuing establishment of disease free zones and engagement of communities through awareness raising activities. - introducing mobile screening units (2-3 at major markets) for CBBP (staff already trained to operate devices). - strengthening analytical capacities of DVS and university laboratories (including drug residue analysis). 	<p>1</p> <p>1</p> <p>2</p> <p>2</p> <p>1</p> <p>1</p> <p>2</p>

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
<i>Dairy products</i>				
<p>Dairy industry is predominantly small-holder based in ASALs. Annual production is now estimated to be 4 billion liter (of which 3.5 billion is for local consumption. Past emphasis was mostly on increasing production, but recently efforts are made to improve quality.</p> <p>Vending of raw milk through informal markets accounts for some 80% of total sales. Poor hygienic practices in milk collection and handling are reported. Presence of anti-microbial residues is main public health concern and poses export constraints. There are about 26 dairy plants, 10 of which have capacities more than 10,000 l/day.</p> <p>Industry is comparatively more developed than dairy industries of many other countries in sub-Saharan Africa. Dairy products are mainly exported to EAC countries and there are limited opportunities to enhance this trade. Potential markets include Middle East, North and Sub-Saharan Africa</p> <p>Ministry of Livestock and Fisheries Development (MLFD) through Kenya Dairy Board (KDB) is responsible for monitoring quality and safety, inspection, establishment or milk receiving centers, and awareness-raising and training.</p>	<p>Among key constraints are poor hygienic practices in milk handling and poor milk collection, transport methods, lack of inspection and surveillance, outdated legislation - but also more fundamental problems related to livestock management, disease control and treatment and animal feed practices (see above). A Code of Hygienic Practice for production, handling and distribution of milk and milk products exists but cannot support production and handling processes in unregulated markets.</p> <p>In milk processing industry concerns are related to product and market development , production efficiency and competitiveness, investment and export promotion (where food safety standards are likely to become an important issue). Studies show that large scale farmers are more competitive producers. With reduction in domestic costs (transport, packaging, etc.), Kenya could become globally competitive.</p>	<p><i>Specific & ongoing assistance include:</i></p> <p><i>USAID: Regional Agriculture Trade Expansion Support (RATES) including COMESA Dairy SPS protocol.</i></p>	<p>The following actions are recommended to enhance domestic milk production and prospects for exports:</p> <ul style="list-style-type: none"> - continue and enhance awareness-raising, extension and training activities on application of good hygienic practices. 1 - strengthen DVS capacity for monitoring, surveillance and control of animal diseases. 1 - finalize and enact new Dairy Act in line with dairy development strategy and international requirements (supported by SOPs and guidelines. 1 - enhance awareness-raising activities at consumer level (creating pressure on suppliers). 2 - control of antimicrobials through development of national framework program (including augmenting livestock development and management practices in both formal and informal livestock supply chains, e.g. disease management, inadequacy of animal feed, inadequate access to animal health services in rural areas, breeding programmes, etc.). 2 - strengthen analytical capacity for monitoring of veterinary drugs and aflatoxin level in dairy products. 2 - further assist industries in implementation of GMP, GHP and HACCP. 2 	

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
<i>Traditional commodities</i>				
<p>Kenya's traditional cash crops (coffee and tea) provide a livelihood for more than 750,000 and small growers and plantation employees. Coffee exports declined over past two decades from about US\$320m (1985) to US\$110m (2004), while tea exports expanded from US\$300m to US\$400m during the same period. Kenya is the second largest tea exporter world-wide (after Sri Lanka).</p> <p>Coffee Board of Kenya and Kenya Tea Development Agency are responsible for regulatory and marketing functions of coffee and tea, respectively.</p> <p>Strategies to target niche and higher value markets, like specialty and organic products, have grown in importance.</p>	<p>Major constraints in coffee export are mainly non-SPS factors including price decline, competition from Latin America and Asia, and country specific conditions attributed to policy environment, government interventions, and inefficiency of cooperatives.</p> <p>At present, no specific SPS constraints reported but problems related to pesticides (anticipating stricter MRLs) and fumigation practices and mycotoxins resulting from handling and storage practices could be serious challenges in near future. Pre-emptive actions are recommended.</p>	<p><i>Various donors have provided general agricultural support or support related to upgrading the quality of specific commodities in the past.</i></p> <p><i>Specific ongoing and planned activities include a project funded by the Bill and Melinda Gates Foundation to support small-scale coffee farmers in East Africa.</i></p>	<p>The market for traditional commodities is increasingly dominated by private standards with non-SPS elements e.g. fair trade, organic, private labels including environmental and social aspects.. Besides investigating further opportunities for organic produce and branding of coffee and tea, further promotion of basic/good practices (handling, drying, etc.) and training to small-scale producers is recommended.</p> <p>Continue monitoring MRLs and mycotoxins in tea and coffee in line with Codex standards and requirements of target export market countries (EU, USA, Japan, etc.).</p>	<p>2</p> <p>1</p>

Products/markets	SPS compliance constraints	Ongoing and planned assistance	Recommended actions/gaps	Priority
Tourism				
<p>Tourism is the main service export, an important source of foreign exchange earnings (estimated at US\$340m in 2004), and provides direct employment for some 210,000 employees, and for a further 280,000 people employed in support sectors.</p> <p>Tourism's backward linkages are spread through many sectors including <i>inter alia</i> horticulture (fruits and vegetables), livestock (meat and dairy products), poultry (meat and eggs) and fisheries (fish and seafood).</p> <p>Reportedly, a separate World Bank study on tourism sector is underway.</p>	<p>Compared with other countries in Sub-Saharan Africa, industry has grown below average. Main constraints are security situation (highlighted by recent conflicts following election in 2007), poor road infrastructure, deterioration of tourism infrastructure and services, weak institutional and regulatory framework to promote further investment, and insufficient marketing and promotion efforts.</p> <p>SPS-related constraints include lack of awareness of food safety risks in tourist industry, training in good hygiene practices, inadequate surveillance/monitoring system, and weak inspectorate capacities.</p>	<p><i>In the past, several donor initiatives have supported the tourism sector.</i></p>	<ul style="list-style-type: none"> - Strengthen awareness and training programmes for tourism industry on food safety risks, good hygiene practices, etc. - Strengthen surveillance/ monitoring system including inspectorate capacities. 	<p>1</p> <p>2</p>

5. Food safety

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
Awareness				
<ul style="list-style-type: none"> - Limited awareness about impact of food safety on national economy and development at all levels, with notable exception of fisheries and horticulture export industry (no effective foodborne disease reporting system in place). - Limited resources and budget support for institutions involved in food safety and quality control. - No policy on food safety control (draft National Food and Nutrition Policy (NFNP) does not refer to enhancement, restructuring or modernization of food control system. - Several universities have food science and technology departments and curricula. - Several institutes and associations involved in awareness-raising and training programmes for small-holders, exporters, producers and consumers including HCDA, FPEAK, AFIPEK, KEPHIS, KDB, CIN, EPC. 	<ul style="list-style-type: none"> - Review draft NFNP by food safety and quality experts to clearly guide implementation schemes of food safety and food control system, followed by its adoption and incorporation into national development plans. - Increase awareness about the impact of food safety and quality on the economic and social fabric of the nation among top decision-making levels. - Enhance information, education and training programmes at all stages and for all stakeholders in food chain, including farmers, universities, research institutes, consumers, etc. 	<p><i>FAO/WHO programmes</i></p> <p><i>Future donor programmes focus increasingly on private sector and business development - but relatively less on public sector capacity building.</i></p> <p><i>Several donor programmes in place including schemes/facilities for upgrading food safety/quality in small and medium enterprises (SMEs) through training, loans, partial subsidies, etc. (see Annex I).</i></p> <p><i>Other relevant existing and planned projects include:</i></p> <ul style="list-style-type: none"> - UNIDO – regional EAC project. - EC - Capacity Building on Maximum Residue Levels (MRLs) (2006-2010). - EC - Strengthening Food Safety Systems through sanitary and phytosanitary (SPS) measures (ACP, 2008 – 2012). 	<ul style="list-style-type: none"> - Develop national policy statement, review draft NFNP, integrate food safety into national development plans and organize symposium for politicians and senior decision-makers. - Coordinate and strengthen ongoing efforts and training programmes on GMP and GHP (smaller processors and street vendors) and HACCP (larger and medium-sized processor) conducted by different institutions and associations. - Create public consumer protection office and further strengthen consumer associations. - Determine the appropriate policy mixture for the private and public provision of laboratory infrastructure. 	<p>1</p> <p>1</p> <p>2</p> <p>1</p>
Institutional and regulatory framework				
<ul style="list-style-type: none"> - Lack of efficient coordination/ collaboration among multiple key food safety and quality control institutions..² 	<ul style="list-style-type: none"> - Develop ToR of recently proposed (rotating) National Food Safety Focal Point and make reference to roles and mandates of participating institutions 	<ul style="list-style-type: none"> - EC - Strengthening Fishery Products Health Conditions in ACP countries (SFP, extended until 2010); 	<ul style="list-style-type: none"> - Establish the proposed National Food Safety Focal Point to coordinates food safety and quality control issues; - Preparation of new umbrella food act 	<p>1</p>

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
- Legislation related to food control system - including implementing regulations - outdated and in need of revision. Exception are the Fisheries (Safety of Fish, Fishery Products and Fish Feed) Regulations (2007), which have been recognized as equivalent to EU regulations by FVO in 2006. ³	related to food safety and quality. - Legislation needs revision starting with umbrella basic food act - followed by range of sectoral legislation and regulations on meat, dairy products, feed, etc. Reportedly, Ministry of Livestock and Fisheries Development (MLFD) has started process of reviewing sectoral legislation.	- USAID/USDA –PASA projects focusing on food safety (2006-2011, see <i>Annex I</i> .	(institutionalizing coordination mechanism) - followed by sectoral legislation and implementing regulations. - Raise budgetary and technical support; to implement and enforce legislation. - Study need for specific aquaculture regulations.	1 1 2
Enforcement				
- Food inspection is responsibility of MoH (Public Health Department), employing about 8,000 inspectors. Inspection also by local government authorities and by various sectoral institutions and boards. Fisheries Department does not oversee local fish and seafood handling (similar in Tanzania and Uganda). Both MoH and DVS inspect abattoirs and slaughterhouses. - Limited monitoring of pesticide and veterinary drug residues, notably in local markets. FPEAK monitors pesticide residues and microbial contaminants of export products. - Most laboratories have limited	- Establish systematic records of incidence of food-borne diseases - Provide training and tools to food inspectors. - Enforce registration of and provide training to street vendors (largely unregulated and informal sector). - Further extend HACCP approach in export oriented fish and vegetable processing sectors to other sectors, e.g. dairy, meat and poultry. - Improve diagnostic capacity starting with preparation of national food control laboratory plan followed by targeted capacity building efforts; Speed up accreditation process and promote private food laboratories		- Establish systematic records of incidence of food-borne diseases - Provide training and tools to food inspectors. - Enforce registration of and provide training to street vendors. - Prepare national food control laboratory plan and build further laboratory capacity (including field test kits, etc.). A key part of this plan needs to be consideration of the international acceptance of results produced from Kenyan laboratories. A mixture of bilateral and multilateral pressure may be necessary for this purpose. - Design monitoring programmes for veterinary drug residues, mycotoxins	1 1 2 1 1

² Including *inter alia* Ministry of Health, District and Municipal Councils, Kenya Bureau of Standards (KEBS), Fisheries Department, Kenya Dairy Board (KDB), Veterinary Service Department, Livestock Production Department, KEPHIS, Horticultural Crops Development Authority (HCDA), Pest Control Products Board, Pharmacy and Poisons Board, Ministry of Water, etc.

³ Including *inter alia* Food, Drugs and Chemical Substances Act, Chapter 254 (1965); Public Health Act, Chap 242; Pharmacy and Poisons Act, Chap 244; Meat Control Act, Chap 356; Dairy Industry Act, Cap 336; Agriculture Produce (Export) Act, Chap 319; Fertilizer and Animal Feeds Act, Chap 345; Fish Industry Act, Cap 378; Fish quality assurance regulations adopted from EU directive 91/493; Fisheries (Safety of Fish, Fishery Products and Fish Feed) Regulations (2007).

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
ability to undertake microbiological/chemical analyses. ⁴ Overall diagnostic capacity is weak.	- Design monitoring programmes for veterinary drug residues, mycotoxins and heavy metals including creation and management of database (for future risk assessment).		and heavy metals (equally important for export commodities and domestic consumption).	

⁴ KEPHIS laboratories have capacity for pesticide residues (accredited), microbial contaminants and heavy metals (equipped with obsolete equipments); etc. KEBS Chemistry & Microbiology laboratories also accredited.

6. Animal health

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps,	Priority
Awareness				
<ul style="list-style-type: none"> - Growing awareness is observed (at least at technical level) of current animal disease status restricting access to international markets; policy of establishing disease free zones is envisaged. - Low awareness of good animal husbandry and animal health issues among herders, in slaughterhouses negatively affecting exports of meat & meat products. 	<ul style="list-style-type: none"> - Further increase awareness of crucial importance of animal health status for Kenya's livestock and meat export potential. - Increase general awareness-raising and training activities among herders and in slaughterhouses. 	<p>The following existing and planned projects are relevant in the animal health sector:</p> <ul style="list-style-type: none"> - FAO – strengthening disease information networks and diagnostic capacity, and improving disease surveillance management system (funded by Norway and UN Fund 2008-2010). - EC: Participation of African Nations in Sanitary and Phytosanitary Standard setting Organizations (PAN-SPSO). 	<ul style="list-style-type: none"> - Increase awareness and training activities at political level, at producer, association, & technical levels for all animal products including livestock (meat & dairy products), poultry products, etc. - Enhance the public-private sector investment programme and policy package for meat export through creation of disease free zones and competent abattoirs considering all technical and commercial constraints. 	<p>1</p> <p>2</p>
Institutional and regulatory framework				
<p>Department of Veterinary Services (DVS) overseas animal health services in the country including animal disease control; formulation of standards; inspection, licensing and issuing of animal health certificates, conducting surveillance of animal health, vaccinations, vaccine production and distribution and importation of suitable vaccines, quarantine and disease free zones based on Animal Health Act Chap 364, Meat Control Act Chap 356, Dairy Act Chap 336, Crop Production & Livestock Ordinance Act Chap 321 in addition to its involvement in animal products (dairy, meat, & poultry products,) and animal feed safety and quality control; DVS is the chair of the National Codex Committee and also a focal point for OIE.</p>	<p>Strengthen the capacity of DVS:</p> <ul style="list-style-type: none"> - to implement sanitary aspects of animal diseases; - to provide veterinary services to small farmers (especially in the ASAL areas); - Assistance in the drafting of implementing regulations and revising/drafting of animal health, animal movement, veterinary act, veterinary drug act, aquaculture/aquatic animal health act, etc. 	<ul style="list-style-type: none"> - EC/AU-IBAR: Support Programme to Integrated National Action Plans for Avian and Human Influenza (SPINAP-AHI). - World Bank Group: Promoting long term investment in livestock in Kenya - USAID/USDA – PASA project on animal health issues (not yet started, see Annex I). 	<p>DVS has inadequate capacity to provide institutional & regulatory support related to sanitary services, and the existing animal health regulations are outmoded (UNIDO, WB).</p> <ul style="list-style-type: none"> - Strengthen the capacity of DVS in terms of competent staff, infrastructures & facilities. - Update the Animal Disease Act & establish related animal health regulations in line with OIE requirements & streamlined with the generic food law & other pectoral laws to be established. - Streamline the mandate & responsibilities of DVS to focus on animal health and diseases control 	<p>3</p> <p>2</p> <p>1</p> <p>1</p>

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps,	Priority
<p>Enforcement</p> <p>DVS endorses the adoption of OIE measures on disease free areas, and the use of risk analysis as a basis for addressing foodborne diseases. A few of these have been implemented in Kenya in conjunction with other NGO and international organizations.</p> <p>DVS has also some capabilities for testing disease status/animal health of imports and exports of animals and animal products, using its labs in Nairobi and Kabete. There are also five regional labs used for diagnostic tests by farmers</p> <p>The Veterinary Services Department has inadequate capacity for vaccination of notifiable diseases such as foot-and-mouth disease to ensure the country is declared animal disease free by the OIE. In addition, there is neither a developed monitoring system to document diseases and actions taken to eradicate them nor established traceability system.</p> <p>DVS also maintains official presence at some entry points, and a country network of veterinarians who help in advising farmers on disease control and disease surveillance. DVS has about 1000 inspectors (FAO)</p>	<ul style="list-style-type: none"> - Enhance effective surveillance for animal diseases and strengthening laboratory diagnostic capacity. - Strengthen the inspection & monitoring mechanism for control of animal trade and movement (including wildlife). - Develop a programme (including manuals and procedures) for disease eradication and establishment/maintenance of disease free zones. - Establish "Emergency Fund" for disease eradication. - Increase the number of veterinarians at central and local levels performing animal health and inspection services and train additional veterinary personnel at village level; Develop and improve inspection manuals/guidelines. - Strengthen the capacity of DVS for animal diseases control, monitoring & surveillance including the vaccination capacities. - Improve capacity to perform risk assessment. - Strengthen the risk analysis capacity to determine the status of disease free zones in the country which is still limited. 		<p>Weak animal health infrastructure, inspection, monitoring and surveillance, diagnostic service, risk analysis capacities & inadequate competent staff.</p> <p>Strengthen the inspection & monitoring and surveillance through provision of regular training programme and inspection tools & facilities, communication & reporting system, incentive packages, etc. for animal health inspectors.</p> <p>Prioritize & mobilize resource to establish disease free zones or compartments.</p> <p>Strengthen the diagnostic capacity to perform risk assessment for selected OIE list A and related diseases which have public health & trade impacts; include CBBP and FMD prioritized in surveillance programmes and international collaboration.</p>	<p></p> <p style="text-align: center;">2</p> <p style="text-align: center;">3</p> <p style="text-align: center;">2</p>

7. Plant health

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
Awareness				
<p>The “success story” of Kenya’s fresh produce industry and its private-public partnership is a model that many other developing countries would like to emulate, which illustrates how adopting food safety and agricultural health standards can serve as a catalyst for trade and competitiveness (WB).</p> <p>This success story creates good awareness among farmers/private sector, political, national and to some extent regional levels which as well contributes to the establishment & recognition of Kenya Gap.</p>	<ul style="list-style-type: none"> - Intensify efforts to build political, farmer and private sector awareness of plant health matters, GAP, and safe use of pesticides through regular awareness programs and training courses. - Increase stakeholder consultation and participation (including private sector). 	<ul style="list-style-type: none"> - EC – 10th EDF (2008-2013, with one focus on capacity building for companies and farmers on food safety issues, including SPS) - Netherlands (WSSD) – supporting the private sector, small holders for the development of horticulture and working with main partners KFC, FPEAK, KEPHIS, HCDA, & KARI through six different projects (Annex 1). - FAO - supporting establishment of phytosanitary control and surveillance system (possibly also including revision of legislation) (supported by Norway and UN fund) and addressing fruit fly infestation (regional programme seeking funding). - USDA/USDA – PASA projects including creation of phytosanitary information system and addressing fruit fly infestation. - FAO: Management of <i>Bactrocera invadens</i> and other target pests that constrain production and export of fruits and vegetables in East Africa. - Also at regional level, STDF is financing a project creating an Eastern Africa Centre of Phytosanitary Excellence including a pest risk analysis (PRA) unit (implemented by CABI, KEPHIS and University of Nairobi and involving NPPOs of neighbouring countries). 	<p>The major outstanding need include (WB)</p> <ul style="list-style-type: none"> - Intensification of efforts to build farmers’ awareness of plant protection and plant health matters through regular awareness programs, especially for small growers. - Institutionalization and preparation of manuals and guidelines for all aspects of export certification, development of computerized data management system and information about the requirements stated by main trading partners. - Enhancing & coordinating the ongoing training programmes by different institutions (KEPHIS, HCDA, FPEAK, etc.) 	<p>1</p> <p>1</p> <p>1</p>
Institutional and regulatory framework				
<p>KEPHIS responsible to provide dependable, effective and competitive regulatory service for ensuring quality of agricultural inputs and produce based on Plant Protection Act Chap 324; Seeds and Plant Varieties Act, Chap 326; The service related to plant health include:</p> <ul style="list-style-type: none"> - plant quarantine services for safe movement of plant materials; - grading and inspection of products for export and issuance of phytosanitary certificate; - inspection of imported plant materials and checking of phytosanitary certificates issued 	<ul style="list-style-type: none"> - Review of existing institutions for plant protection management and pesticides control (including designation of NPPO and cost recovery system) - Development of new plant protection legislation (including implementing regulations) and improve arrangements for pesticide registration. 	<ul style="list-style-type: none"> - FAO: Management of <i>Bactrocera invadens</i> and other target pests that constrain production and export of fruits and vegetables in East Africa. - Also at regional level, STDF is financing a project creating an Eastern Africa Centre of Phytosanitary Excellence including a pest risk analysis (PRA) unit (implemented by CABI, KEPHIS and University of Nairobi and involving NPPOs of neighbouring countries). 	<ul style="list-style-type: none"> - Streamlining regulations on agricultural inputs & seed and pesticide certification processes to regulate price & informal markets & reduce bureaucratic purchasing procedures. - Updating the existing plant health related regulation in line with SPS & IPPC requirements and streamlining to avoid possible duplication, to enhance enforcement mechanisms & optimally utilize the available resources. 	<p>1</p> <p>1</p>

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
<p>by country of origin; - plant clinics, etc.</p> <p>In addition to KEPHIS, PCDB & HCDA are also mandated to inspection and certification of agricultural inputs, import & export of fresh produces based on Pest Control Products; & Agricultural Produce (Export) Act</p>				
Enforcement				
<p>KEPHIS is a semi-autonomous institution which regulates the quality of agricultural inputs (including pesticides) & plant health protection for compliance with the SPS Agreement⁵</p> <p>KEPHIS has a growing number of competent staff including over 60 scientists, 100 technical officers & 150 support staff, and an annual budget of around US\$ 2 million.</p> <p>HCDA has also inspectors to register & inspect fruit tree nurseries & regulate the industries through licensing & application</p> <p>KEPHIS has diagnostic capacity for providing seed analysis & certification; fertilizer analysis, soil testing; water testing; chemical contamination; pesticides to verify conformity with labels; testing for maximum pesticide residue levels.</p>	<p>Strengthen pest surveillance & eradication programmes (FAO-supported regional program). Pest outbreaks, either related to trade or the cross-boundary migration of pests have been serious challenges which include larger grain borer, serpentine leaf; cassava bacterial blight; banana nematode; aschoyia blight of cowpeas; fruit fly etc.</p>		<ul style="list-style-type: none"> - Strengthen the on-going effort for development of a pest surveillance & pest risk analysis system, including a regular reporting mechanism, proper documented procedures, a surveillance database system, etc. in line with international standard. - Enhancing the certification schemes & the technical competence of KEPHIS and HCDA inspectors. - Promote & strengthen the analytical services provided by KEPHIS. 	<p style="text-align: center;">2</p> <p style="text-align: center;">2</p> <p style="text-align: center;">2</p>

⁵ activities include issuance of health certificates for import/export of plant materials & foods of plant origin; certify plant material so far from breeders (about 750) & seeds certification (55 registered companies), & conducting research, training & information activities on phytosanitary issues.

8. Institutional SPS capacity

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
<p>Institutional clarity Food safety and agricultural health system comprises multiple institutions. Little progress has been made in removing overlapping mandates between the various SPS enforcement agencies.</p>	<ul style="list-style-type: none"> - Establishment of coordination mechanism. - Strategic and detailed review towards rationalization of institutions and functions. - More integration of SPS issues in planning and expenditure frameworks. 	Capacity building needs assessment of FAO and the World Bank reported indicated the need for establishment of the national food safety coordination system and the establishment of the proposed National Food Safety Focal Point as a strategic intervention project.	Support the ongoing effort for establishment of the National Food Safety Focal Point.	1
<p>Private sector - Relatively better awareness and implementation practices of EurepGAP/Global GAP & recently Kenya GAP more than 600 producers certified for EurpeGAP in the export horticulture. Similarly better awareness and implementation practices of GHP, GMP, HACCP in the fisheries export sector. However, limited basic awareness of GAP, GHP, GMP, HACCP and pest and disease control measures among private sector/farmers and most producers for local production. - Strong producers association like FPEAK & AFIPEK supportive in promoting SPS improvements. Need to strengthen other associations. - Inadequate financial and regulatory framework for private investment in meat and dairy processing facilities.</p>	<ul style="list-style-type: none"> - More support for private sector/farmer basic awareness and training programmes in food safety, animal and plant health. - Additional support to strengthen capacity of trade and industry associations. - Strengthen dialogue through creation of mechanism such as National SPS and TBT Committee. - Improve financial and regulatory investment framework . 	Several donors (notably, DFID, Netherlands, Sweden and World Bank) increasingly promote private sector and business development (often through basket funds, including food safety and quality).	Assistance to trade associations to advocate the importance of SPS compliance and provide training to their members.	1
<p>Research capacity - Relatively better progress has been made in upgrading SPS laboratory capacity with</p>	<ul style="list-style-type: none"> - Gradual upgrading and accreditation of other laboratories and development of SPS laboratory plan 	Several donors have provided assistance including GTZ, EU, and UNIDO. UNIDO is currently finalizing a regional (EAC) project which will	Upgrade laboratory and surveillance system.	2

Status	Needs	Ongoing and planned assistance	Recommended actions/gaps	Priority
<p>accreditation of a number of accredited laboratories but the overall diagnostic capacity need to be strengthened including the research laboratories in different universities</p> <p>- Centralization of laboratory services denies access to remotely located/rural population (need for test kits, etc.).</p>	<p>(including needs assessments in terms of equipment, considering remote areas, and considering promotion of private laboratories).</p>	<p>focus inter alia on laboratory aspects.</p>		
<p>International participation</p> <p>- SPS National Enquiry Point and Codex, OIE, IPPC Focal Points in place.</p>	<p>Additional support to enhance capacity to attend and play more active role in meetings of SPS Committee, Codex, OIE and IPPC.</p>	<ul style="list-style-type: none"> - WTO regular training programme - Codex, OIE and IPPC Trust Funds - EC- (PAN-SPSO project) - SAID/USDA – PASA project focusing on participation in international standard setting. 	<p>Establish national coordination mechanism.</p>	<p>1</p>

ANNEX I
Ongoing and planned SPS related technical assistance in Kenya

Donor name	Project title	Short Description	Budget (US\$⁶)	Duration
National				
EC	10 th European Development Fund (EDF)	Country Strategy Paper and National Indicative Programme (2008-2013) signed (9 December 2007); One focal sector will be agriculture and rural development (€8.8m or 26% of total). Implementation of the SRA will be central including reviewing the legal framework, promote market and product development, improve extension, advisory, support and other services, etc. In addition, €6.8m or 4,4% of total) will be directed to trade and private sector development and channeled through the Kenya Private Sector Development Strategy (January 2007).	Allocation to SPS issues not known	2008-2013
GTZ	Promotion of Private Sector Development in Agriculture – (PSDA)	The objective is to small and medium-scale enterprises in selected value chains in agriculture to use their market chances under an optimal farm economic and environmentally friendly production method as well as improved framework conditions. Programme includes component on promoting and achieving GlobalGap certification as an individual (option 1) or as a member of a farmer group (option 2).	Allocation to SPS issues not known	2003-2015
Netherlands	WSSD Partnership on Market Acces	Six projects are being implemented - Research and development on diversification of products and markets, and post harvest control in the floriculture sector (€18,728) - Capacity Building for Effective Phytosanitary Checks and Systems to Enhance Market Access of Kenya's Horticultural Produce (CABHORT) (€300,000) - Development of appropriate processing technology for horticulture export by smallholder farmers (€205,850) - Partnership for Market Access for Horticultural Produce (€76,975) - Encouraging smallholder involvement in export floriculture - Capacity Building and Training Requirements of the Horticulture and Floriculture Sectors of Kenya	Total budget not known	2006-2008
USAID / FINTRAC	Kenya Horticultural Development Program	The Kenya Horticultural Development Program aims to increase incomes in the horticulture sector through crop diversification, technological improvements, and new market linkages. Meeting increasingly stringent export requirements (GlobalGap) is an important element of the program. Managed by FINTRAC.	Allocation to SPS issues not known	
FAO	Other trust funds	Various activities to control and prevent avian influenza and rift valley fever at national and regional level – including development of national preparedness and response plan	Allocations not known	2006-2009
FAO	TCP/RAF/3102	Support to aquaculture sub-sector in the riparian countries around Lake Victoria. Total funding US\$359,999.	Allocation to countries and SPS issues not known	2006-2008

⁶ Unless otherwise indicated

Donor name	Project title	Short Description	Budget (US\$ ⁶)	Duration
FAO	TCP/RAF/3113	Emergency assistance to control Peste de Petits Ruminants in the Turkana/Karamoja region. Total funding US\$393,000	Allocation to countries and SPS issues not known	2007-2009
World Bank Group	Promoting long term investment in livestock in Kenya	Under Phase II of the Arid Lands Resource Management Project, strategic investments will be undertaken in the establishment of disease-free zones to facilitate export and movement of animals, etc.	Allocation to SPS issues not known	
Regional EAC/COMESA				
EC	Lake Victoria Fisheries Management Plan (LVFMP) project	The purpose of developing a Fisheries Management Plan is to sustain the livelihoods of the communities who depend on fishery resources of Lake Victoria and to reduce poverty, food insecurity and unemployment. Includes component on fish handling and storage and upgrading of landing sites. Total budget US\$36m.	Allocation to SPS issues and country allocation not known	2003-2008 (extended for landing site upgrading)
FAO	Management of <i>Bactrocera invadens</i> and other target pests that constrain production and export of fruits and vegetables in East Africa	The project aims to develop and implement in collaboration with international and national partners effective approaches to reduction of fruit and vegetable losses due to fruit fly and MSW infestation. Target countries: Kenya, Tanzania and Uganda.	7,500,000 (seeking funding)	2008-2012
UNIDO/Norad	Trade capacity building in agro-industry products for the establishment and proof of compliance with international market requirements	Project aims to enhance the capacity of enterprises to produce according to international market requirements. Project being reformulated to incorporate participation of Rwanda and Burundi. Total budget €3,341,060	5,300,000	2006-2010
Bill and Melinda Gates Foundation	Support to Small-Scale Coffee Farmers in East Africa	Programme will work with approximately 180,000 coffee farmers earning less than US\$2 a day with goal of improving income through improvement in quality. Implemented by TechnoServe. Regional budget US\$47m. Country budget not known.	Allocation to SPS issues not known	2008-2011
STDF	Centre of Phytosanitary Excellence – Eastern Africa	The objective of the project is to develop a model regional training centre on phytosanitary issues – including creation of a regional pest risk analysis (PRA) unit. Project implemented by CABI, KEPHIS, Dutch Plant Protection Service, and University of Nairobi (PMU to include regional stakeholders)	800,000	2008-2010
Germany/PTB	Establishment of a Regional Quality Infrastructure in the East African Community (2 nd phase)	The focus of the project is on regional standards harmonization (mainly ISO and TBT-related) including <i>inter alia</i> mutual recognition of conformity assessment procedures and setup of accreditation capacities, strengthening the SQMT coordination function of the EAC Secretariat and revision of the SQMT protocol regarding compatibility with the SQMT Act.	Allocation to SPS issues not known	2007-2010
Germany, Finland, Norway, Sweden and Denmark	EAC Partnership Fund	Budget for 2007/2008 amounting to US\$3.5m. Canada and DFID expected to join in 2008 taking funds up to US\$5m. Reportedly, SPS capacity building could be one focus of future activities to be funded if identified as priority by EAC Secretariat. Proposals for funding to be made by late April 2008.	Allocation to SPS issues not known	2007-2010
AfDB/COMESA	Agricultural Marketing Promotion and Regional Integration Project (AMPRIP)	SPS activities in COMESA region carried out under AMPRIP with focus on capacity building, establishment of regional reference laboratories, institution of SPS legal framework and establishment of regional technical sub-committee on SPS measures. Reference labs agreed for	?	2005-?

Donor name	Project title	Short Description	Budget (US\$ ⁶)	Duration
		food safety (Food Technology laboratory, Mauritius), animal health (Veterinary laboratory, Zambia) and plant health (KEPHIS, Kenya). Assessment to identify satellite labs ongoing. Harmonized SPS legal framework (protocol) presented in March 2008 at Ministers of Agriculture meeting and to be adopted in May 2008 by COMESA Council of Ministers. Framework includes reference to COMESA Green Pass (CGP) and contains arrangements for regional reference labs as well as administrative arrangements on overseeing implementation of SPS programmes in region. COMESA Technical sub-committee on SPS measures held first meeting in February 2008.		
USAID/ USDA	Support to key SPS policy objectives under the African Global Competitiveness Initiative (AGCI)	The objective is to build capacity of African countries to export plant, horticultural, and animal products internationally (including US). Budget amounts to US\$11.5m over 5 years. Assistance is primarily implemented through USAID's regional trade hubs – including Gaborone (Botswana) and Nairobi (Kenya) (including regional SPS advisors). Projects for East Africa include: <ul style="list-style-type: none"> - develop regional phytosanitary information system - develop appropriate phytosanitary mitigation options for trade - conduct pest risk analyses - facilitate COMESA's activities to build SPS infrastructure - identify and manage SPS problems in East Africa (including fruit fly) - strengthen participation in international standard setting - conduct animal disease risk assessments and identify mitigation measures - identify products with high export potential for which food safety compliance is main barrier 	11,500,00 allocated to SPS issues Country allocations not known	2006-2011
USAID	Regional Agriculture Trade Expansion Support (RATES)	Objective is to increase the value and volume of agricultural trade within the East and Southern Africa region and between the region and the rest of the world. Total budget US\$26m. Among the deliverables are: <ul style="list-style-type: none"> - regional dairy and maize standards adopted by key countries involved in 80 percent of the regional trade - COMESA Dairy SPS protocol adopted by the COMESA Council of Ministers meeting in April 2008 and adopted by at least five dairy producing countries by September 2008 	Allocation to SPS issues and country allocations not known	Extension until 2008
EC	Regional Integration Support Programme (RISP)	This programme aims to develop the capacity of regional trade organisations and their member states in issues relating to regional integration and trade policy. It includes a component of capacity building to develop standards and meet international SPS requirements. Includes rider for COMESA. Total budget €30m.	Allocation to SPS issues not known	2005-2012
Regional ACP				
EC	Programme Initiatives Pesticides (PIP-COLEACP)	Project objectives are 1) to enable ACP companies to comply with European food safety and traceability requirements and 2) to consolidate the position of small scale producers in the ACP horticultural exporters sector.	Allocation to SPS issues and country allocations not	Extension until 2008

Donor name	Project title	Short Description	Budget (US\$ ⁶)	Duration
		Includes in-depth study of the impact of for ACP countries of the new European SPS regulations on official feed and food controls. Total budget €29.1m. A second phase of PIP is being considered.	known	
EC	Strengthening Fishery Products Health Conditions in ACP countries	Focus areas are competent authorities, test laboratories, the fish industry and small-scale fisheries. AIDCO is currently preparing tenders for full implementation during extension period. Four teams are expected to be in place by April 2008; Total value €46m.	East Africa allocation 10,000,000 Individual country allocations not known	Extension until 2010
EC	Trade.com	Support for EPA negotiations and integration of ACP states in world economy. One component focuses on implementation of WTO Agreements and preparation of pilot projects with special attention to SPS and TBT issues. Total budget €50m.	Allocation to SPS issues and country allocations not known	2004-2009
EC	Participation of African Nations in Sanitary and Phytosanitary Standard setting Organizations (PAN-SPSO)	More effective participation of African countries in the activities of OIE, IPPC and Codex Alimentarius Commission during formulation of international standards on food safety, animal, and plant health. Project implemented by AU-IBAR and AU-IAPSC. Total project budget €3.85m. Project to start in November 2008.	Country allocations not known	2008-2010
EC/FAO, ITC, UNCTAD, World Bank	Support Programme on Agricultural Commodities (including cotton)	Strengthen capacities to develop and implement sustainable commodity strategies that improve farmers' productivity and their rural livelihoods and reduce income vulnerability (including <i>inter alia</i> elaborating strategies covering critical parts of the commodities chain; supporting diversification; helping integrate commodities dependent countries in the international trading system). <u>Still under negotiation</u> . Total estimated budget US\$54m.	Allocations to SPS issues and country allocations not known	2008-2011
EC	Strengthening Food Safety Systems through sanitary and phytosanitary (SPS) measures	The objective of the programme is to improve the contribution of food and feed trade to poverty reduction in beneficiary countries. The aim is to establish risk-based food and feed safety systems for export products ACP countries that are in line with regional, international and EU SPS standards. Tendering process on-going.	45,000,000 (estimated budget). Country allocations not known	2008-2012
EC/AU-IBAR	Support Programme to Integrated National Action Plans for Avian and Human Influenza (SPINAP-AHI)	The project aims to contribute to the socio-economic impact of AHI and the potential loss of human lives and to strengthen national capacities to prevent and control AHI. Expected outcomes include strengthened capacity for early detection and rapid response to AHI at national levels, information and awareness raising activities. Total budget amounts to €2.5m.	Allocations to SPS issues and country allocations not known	2007-2010
EC/AU-IBAR	Somali Ecosystem Rinderpest Eradication Coordination Unit (SERECU)	The purpose of the project is to ensure OIE accreditation of freedom from Rinderpest. Includes North Eastern Kenya (being part of Somali ecosystem). Total budget amounts to €4.35m.	€4.35m	2007-2009
EC	Pesticides Initiative Programme (PIP-COLEACP).	This program has two overriding objectives (1) to enable companies to comply with European food safety and traceability requirements, and (2) to consolidate the position of small-scale producers in the ACP horticultural export sector.	37,856,000	2001-2008

Donor name	Project title	Short Description	Budget (US\$⁶)	Duration
EC DG Aidco	Strengthening Food Safety Systems through SPS Measures in ACP countries	Assists ACP countries in improving their food safety systems to be compliant with SPS requirements. The overall objective is to improve the contribution of food and feed trade to poverty reduction in beneficiary countries. Project implemented by the African Union.	38,400,000	15/12/2006 31/12/2012
Regional Africa wide				
SIDA	Trade Policy Training Centre in Africa (TRAPCA)	TRAPCA is attached to the Eastern and Southern Africa Management Institute (ESAMI) in Arusha and will provide training through an Executive Masters Programme in Trade Policy and shorter courses, seminars, and workshops (including training on SPS). Total budget amounts to US\$14m.	Allocation to SPS issues not known	2006-2010

ANNEX II

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ANNEX III

Notes to the balance sheet:

The tables presents for each area of food safety, animal and plant health (sections 5-7) the current status and needs of SPS capacities (in general terms), assistance provided by donors and identified gaps with priorities. For each area, there are three sub-components: awareness, regulation and enforcement. In addition to the three areas, there are separate parts for market access (section 4) and overall institutional capacity (section 8). The columns are explained below. The top of the table (section 1-3) is an introduction and summary of the gaps identified - including those gaps that are of most and immediate concern – and a brief note on trends in donor assistance.

Columns	Notes
Status	The capacities are based on existing capacity assessments and evaluations and other available studies (see references in Annex II) and updated in interviews with stakeholders in government, private sector, donor and international agencies (see list of contacts in Annex IV).
Needs	Obtained from the same sources.
Assistance	Donor activities are taken from the projects identified in the research work prepared for the Dar es Salaam Aid for Trade workshop (see references, Annex II) and updated in interviews with donor agencies. A full list of the main planned SPS projects and programmes is included in Annex I.
Gaps	These are needs that have not been addressed by present or forthcoming donor work. The gaps have been discussed and verified in interviews and meetings.
Priorities	Priority scales used: 1 – high and immediate priority; 2 – medium-term priority; and 3 – low and long-term priority
Principles used for prioritization:	<ul style="list-style-type: none">• Impact• Costs and benefits• Sequencing• Rule of law: major investment in diagnostics and inspection has to be preceded by legal framework and risk management

ANNEX IV

List of persons met/contacted in Kenya (31 March – 4 April 2008)

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