Is it Time for a Common African Market?
Standard contribution

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1. What is ARSO

ARSO MISSION
To facilitate African industrialization, intra-Africa and global trade by providing harmonized African standards and conformity assessment procedures that promote sustainable development.

ARSO VISION
To be an excellent standardisation institution that promotes a quality culture in support of trade, industrialisation and sustainable development in Africa.

ARSO is an intergovernmental organization established in 1977 by OAU (currently AU) and UNECA.

AfCFTA TBT annex 6 - Article 6:
Cooperation in Standardisation
1. State Parties shall:
   a) develop and promote the adoption and/or adaption of international standards;
   b) promote the adoption of standards developed by the ARSO and the AFSEC;
   c) where a relevant international standard required to facilitate trade does not exist, request the ARSO and/or the AFSEC to develop the required standard to facilitate trade between State Parties;
2. Market access - Quality infrastructure

Standardisation – Metrology – Accreditation – Conformity assessment – Market surveillance

Bottleneck - TBT and SPS:
- Harmonization of standards in priority sector
- Harmonization of Technical regulations
- Recognition of conformity assessment results

1-1-1 principle

From FAO report

26th October 2023
3. Status of Quality Infrastructure (QI)

**TBT – Stocktaking 2023**
- TBT
- 6 MS developed QI
- 23 MS limited or little existence
- 47 Countries that ratified AfCFTA - 19 SP do not have a developed QI

**SPS – Stocktaking 2022**

Africa Common Market
4. Priority sector for harmonisation

**Priority RVCs for RECs (based on PEBs)**

<table>
<thead>
<tr>
<th>COMESA</th>
<th>EAC</th>
<th>ECCAS</th>
<th>ECOWAS</th>
<th>SADC</th>
<th>UMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agro-processing, including vegetables, tea, sugar</td>
<td>Agro-processing, including vegetables, tea, sugar</td>
<td>Agro-processing, including diary, coffee, tea, cereals, cocoa, beverages and spirits</td>
<td>Agro-processing, including fruits and nuts, coffee and tea, edible oils, cereals</td>
<td>Agro-processing, including fruits and nuts, coffee and tea, edible oils, cereals</td>
<td>Fish processing</td>
</tr>
<tr>
<td>Minerals, beneficiating including copper, cobalt, nickel etc.</td>
<td>Cement</td>
<td>and spirits, beverages and vinegar</td>
<td>Mineral fuels</td>
<td>Minerals</td>
<td>Cement</td>
</tr>
<tr>
<td>Wood and wood products</td>
<td>Mineral oils</td>
<td>Precious stones</td>
<td>Wood and wood products</td>
<td>Essential oils</td>
<td>Iron steel</td>
</tr>
<tr>
<td>Mineral oils</td>
<td>Iron and steel</td>
<td>Precious stones</td>
<td>Agriculture</td>
<td>Cotton</td>
<td>Automobile</td>
</tr>
<tr>
<td>Cotton and textiles</td>
<td>Creative economy</td>
<td>Iron and steel</td>
<td>Automobile</td>
<td>Precious stones</td>
<td>Iron and steel</td>
</tr>
<tr>
<td>Iron and steel</td>
<td>Ships and boats</td>
<td>Precious stones</td>
<td>Automobile</td>
<td>Iron and steel</td>
<td></td>
</tr>
</tbody>
</table>

**Potential export basket**

**Most common exports**

**AfCFTA: opportunity for industrial upgrading**
- Some products feature in top 10 exports to Africa (within REC) but not top 10 exports to world
- These are typically more industrialized products (e.g. cement and motor vehicles)
- Unprocessed raw materials dominate RECs exports to the rest of the world
- Most common REC exports are primary agricultural products and minerals

**Continental market: more diversified**
- Number of products in PEB to Africa is much higher than the number in PEB to the World (exception of ECOWAS)
- REC comparative advantage within Africa (compared to ROW) is more diversified with greater VA & less limited to primary products
- Some products enter REC PEBs for both African & World markets – offer potential for developing competitive RVCs which are positioned to enter GVCs (e.g. leather, textiles, works of art, essential oils and agro-processing)

**Analysis of most common exports is not enough**
- Overlooks the significant opportunity to tap into “under-exploited” or “untapped” opportunities to scale up intra-African trade under the AfCFTA

**Priority products for standards harmonisation**

- Portland cement; fish; milk and milk products; fruits incl. fruit juices; edible oils incl. palm oils; cereals incl. rice, wheat, maize, sorghum; automobiles; mineral water

**PEB to Africa**
- 4,077 products for which at least one REC has comparative advantage in vis-à-vis Africa
- Majority of products (2,086) enter PEB for only one REC - highlights varying CA across regions, & significant potential for boosting intra-African trade and between-REC RVC development

26th October 2023
4.1 Harmonisation of Standards - Participation
5. Technical regulations-based on stds

- ARSO Lagos plan of action
- Abuja Treaty
- AfCFTA
- ACTReF
- AfCFTA TBT and SPS annexes
- Made in Africa Guide
- 43 MS ARSO
- 87 TC >1500 experts

Key Numbers:
- >1600 stds
- >700 Products stds
- >100 Services stds
- >500 Test stds
- >100 Code, Glossary S

Additional Information:
- >1000 stds
- >700 Products
- >100 Services
- >500 Tests
- >100 Code, Glossary S

26th October 2023
5.1. TR- ATWP-information sharing

The Africa trade varies from one country to another and is dominated by diverse natural resources that the continent enjoys in abundance. Other countries represent the higher side of the spectrum whereas other have the least trade volumes and can therefore be said to be a representation of extremes.

Most African economies remain largely agrarian, dependent on agriculture and other natural resources as the major source of foreign exchange and employment. However, many African
6. Conformity assessment – Market target

Maturity model – value chain

- Platinum
  - Diamond
  - Gold
  - Silver
  - Bronze

- Regional
- Global
- National
- Local
Conclusion

1. Universal membership to ARSO
2. Adoption and implementation of standards - withdraw of conflicting standards
3. Conformity assessment that respond to the need of SMES growth and private sector in general
4. Capacity building of QI and clear institutional framework
5. Reducing cost of conformity assessment – One stds-one test-one certificate
6. Political support – Benefit of standards
Asante

Merci beaucoup!

Thank you!

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Muito obrigado!