From Science to Market: Transferring Standards Certification Know-How from ICIPE to Africert Ltd.

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ABSTRACT

This brief case study describes how the International Centre of Insect Physiology and Ecology (ICIPE) helped African growers maintain access to foreign markets and improve livelihoods by being able to achieve standards certification for agricultural export commodities. The process involved a characterization of the problem and a conceptualization and execution of a solution. The solution included creating a regional certification body in East Africa capable of providing globally recognized certification at costs that were locally affordable. The level of technical know-how needed by the certification body in order to be effective was significant, so the expertise of ICIPE was instrumental in creating the local certification body. Ongoing certification services provided by the certification body are highly market oriented, and because of this orientation the group was spun off as a private company, as Africert Limited.

1. INTRODUCTION: NEW CERTIFICATION REQUIREMENTS

For a long time, smallholder farmers in developing countries, including Kenya, have experienced difficulty in accessing international markets for goods produced on their farms. Whereas most of the factors involved have been attributed to archaic production and processing systems that invariably increase costs of production, other factors have recently been implicated. They involve new legal and private (consumer and market) requirements (or industry standards) for food safety, traceability, maximum residue limits (MRLs) for pesticide levels in food products, ethical and social issues in agricultural production methods, north-south market chains, and the environmental sustainability of commercial agricultural production.

Although, the global trend has been toward freer markets with fewer economic trade barriers, emerging trade standards (both legislated standards and private standards) have the potential to act as nontariff barriers to trade, between African growers and European markets, for agricultural products.

From the late 1990s, both large- and small-scale producers of export products in Africa found themselves faced with new consumer standards alongside the established ones. These standards all required separate verification (certification of conformity) from independent entities. However, these requirements invariably involved high costs related to implementation of the standards (both in terms of capacity and structures) and to their independent certification. Most farmers, particularly in the horticultural sector, found themselves faced with a possibility of being locked out of the very markets from which they were deriving their livelihoods.

2. THE SOLUTION: A LOCAL CERTIFICATION BODY IN EAST AFRICA

2.1 *The concept*

To address this problem, in 2001 the German international cooperation agency (best known

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through its German acronym GTZ [Deutsche Gesellschaft für Technische Zusammenarbeit GmbH]) developed the concept of facilitating the creation of a "*local certification body for products from organic agriculture in East Africa.*" The mandate to develop and implement this concept was given to the International Centre of Insect Physiology and Ecology (ICIPE)[1] with a view to ultimately establishing a regional certification body for organic products in Africa, able to offer internationally recognized certification services to small-scale producers at locally competitive costs. The terms of reference under the project included:

- identifying stakeholders in Kenya, Tanzania, and Uganda
- identifying possible business partners
- elaborating and modifying regional standards for organic agriculture
- elaborating and implementing a quality management system according to ISO 65[2] and EN 45011[3]
- establishing and publicizing the regional certification body among possible clients within the region
- monitoring and evaluating the local projects' progress.

Execution of the terms of reference entailed several key aspects, one of which was identification and training of personnel who would be able to undertake the duties of the certification body. Around the same time (from January 2004), EurepGAP[4] was seeking to extend its standards to the horticulture and floriculture industries of East Africa, particularly Kenya. This was seen as an opportunity through which the intended activities could actually be carried out. As a result, training small-scale farmers in the horticulture and floriculture industries formed a key platform activity from which it was then possible to initiate the launch of a certification body.

2.2 *The creation of Africert*

Upon successful completion of the EurepGAP training, the next step involved formation of an independent company to carry out the certification process. Africert Ltd. was thus incorporated, in November 2003, with its main objectives being to carry on, either alone or with others in Kenya and elsewhere, in providing certification services and operating certification systems and processes, as well as quality assurance services; to carry on, in any part of the world, the activities of a certification company, testing products and suppliers' quality systems and surveillance, and testing product samples, with a view to ensuring that the products tested, or certified, meet national or international standards, specifications, or technical regulations.

A key condition for the formation of Africert Ltd. was to ensure impartiality in offering its services. Thus, a strict impartiality condition was included in the so-called memorandum of the company. This statement of Africert's mission reads:

To be impartial, responsible for decisions relating to its granting, maintaining, extending, suspending and withdrawing certification, to identify the management (committee, group or person) which shall have overall responsibility for the performance of testing, inspection, evaluation and certification, the formulation of policy matters relating to its operation, the decisions on certification, the supervision of the implementation of its policies, the supervision of its finances, the delegation of authority to committees or individuals as required to undertake the objectives as listed in this Memorandum, and for the technical basis for granting certification.

On the question of ownership and governance, local ownership was emphasized. Thus, initial shares in the company were granted to ICIPE, holding its shares in trust, and an individual with the technical and managerial qualifications to guide the company toward achieving its objectives. Subsequently, as of mid-2006, ICIPE completely divested its shares in the company following identification of a qualified local institution to purchase the shares.

Africert thereafter embarked upon the process of setting up its business infrastructure as well as undertaking activities geared toward achieving accreditation under ISO 65 and EN 45011, in order to be able to certify agricultural products against various standards, beginning with the EurepGAP standards for fruits and vegetables.

Africert has added other standards to its list of certification services. It has completely spun off from ICIPE physically, occupying its own offices outside the ICIPE campus, and employing its own staff. And, ICIPE senior management no longer sits on Africert's board of directors.

2.3 *Current activities of Africert*

Africert Ltd. is currently carrying out certification and inspection services throughout eastern Africa, including Ethiopia, Rwanda, and Zambia for the following standards.

- EurepGAP fruits and vegetables.
- Utz kapeh. Utz kapeh means "good coffee." Coffee farms and cooperatives use utz kapeh certification to prove that they grow their coffee professionally and with care for their local communities and the environment. Utz Kapeh empowers growers with knowledge of good agricultural practices and the global coffee market. Certification gives growers a stronger position in the market due to buyers' specific demand for certified coffee.
- British Retail Consortium (BRC) Food Technical Standard. This standard is used to evaluate processors of fresh produce for compliance with major European Union retailers' requirements for food safety and quality.
- Starbucks C.A.F.E. (Coffee and Farmer Equity) Practices. C.A.F.E. is a verification program based on social and environmental good practice in coffee growing, processing, and marketing.
- Ethical Trade Partnership in the tea sector. The fundamental principles of the ETP standard are those of the Ethical Trading Initiative (ETI) base code, which is based on local laws and collective bargaining agreements that are relevant to workers' welfare. The code is used to support, clarify, and enrich the standard and ensure that it is appropriate to the country in which the standard is to be applied.
- MPS GAP/SQ in cut flowers. MPS GAP/SQ is a body of standards that looks into issues of social and environmental management of resources within the cut flower industry. Africert works under a subcontracting agreement with MPS-Holland.
- Organic agriculture.

3. CONCLUSIONS

The creation of a regional certification body in East Africa and the evolution of Africert Ltd. serves to illustrate two issues. First, that publicly funded research and development institutions in the developing countries have opportunities to employ their areas of expertise to improve livelihoods and incomes whether by facilitating access to markets or otherwise. Whereas in the case of Africert, the length of the project was short, the impact of results was directly felt both at the production level and in the markets.

Secondly, transfer of know-how as an aspect of technology transfer is easier to achieve than other complex technology transfer aspects that require heavy capital equipment and other infrastructure. However, this may be a function of the fact that transfer of know-how may be more appropriate in service industries than in other industries, such as engineering and biotechnology. Most importantly, technology transfer can facilitate access to markets and improves incomes. ■

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1 ICIPE is an international organization, based in Nairobi, with a mandate to help alleviate poverty, improve general food security and nutrition, and promote better human health for peoples of the tropics through research and development of environmentally friendly management strategies for arthropod pests and disease vectors.

2 ISO 65 is one of the many standards developed by the International Standard Organization, which maintains standards for state-of-the-art products, services, processes, materials and systems, and for good conformity assessment, managerial and organizational practice in agriculture.

3 EN 45011 is the recognized European Standard for

product certification. The objective of the standard is to promote confidence in the way product certification is carried out, giving assurance to the consumer that products meet identifiable and consistent quality levels. The standard requires inspection, testing, and surveillance to ensure that quality standards are met. When products meet standards, the products earn a certificate and carry a mark of conformity. More and more often retailers and global food-service chains are requiring that products be independently (by a third party) inspected and accredited against a recognized standard. Accreditation to EN 45011 meets this requirement. Accreditation of quality assurance schemes to the EN 45011 standard is a detailed process.

4 EurepGAP, founded in 1997, is a private organization that sets voluntary standards for the certification of agricultural products around the globe. EurepGAP started out primarily as an initiative undertaken by retailers belonging to the Euro-Retailer Produce Working Group (EUREP) along with British retailers, in conjunction with supermarkets that were the driving forces, in continental Europe. The organization observed consumers' growing concerns with product safety, and environmental and labour standards and it decided to take greater responsibility for what happened in the supply chain. The development of common certification standards were also in the interest of many producers. Those with contractual relations to several retailers complained that each year they had to undergo multiple audits of different quality criteria. Against this background EUREP started to work on harmonizing standards and procedures to serve the development of good agricultural practices (GAP) in conventional agriculture.