

MARCH 2024

DIRECTOR'S DESK

As we step into this vibrant "season"—a time teeming with strategic planning and preparation—I am thrilled to share some insights and updates through our monthly newsletter. This is a crucial period for us, as we engage deeply in the annual rhythm of drafting and submitting our funding proposals for the coming year. It's a time that not only reflects our past achievements but more importantly, shapes our future endeavors.

Our focus during these months is on aligning our strategies with the goals that support our mission and ensure continued growth and impact.

FAEA MONTHLY NEWSLETTER

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U.S. AGRICULTURE ADMIDST EU-KENYA TRADE DYNAMICS

The U.S. agriculture sector faces emerging challenges in East Africa, particularly due to the European Union's increasing involvement in agricultural policies and standards in Kenya and the broader <u>East African</u> <u>Community (EAC)</u>. The recently concluded EU-Kenya Economic Partnership Agreement underscores this shift, promoting deeper agricultural integration among EAC states and the adoption of EU-centric sanitary and phytosanitary (SPS) measures.

Awaiting ratification by both parties, the agreement enhances access for Kenyan products like tea, coffee, and flowers to the EU, which is a significant market, accounting for 21% of Kenya's exports. While other EAC members, classified as least developed countries, can access EU markets without this agreement, middle-income Kenya required this specific deal. The agreement also opens doors for other East African Community (EAC) members to join.

EU's Strategic Objectives and Their Impact

The EU's strategic approach within the East African Community (EAC) focuses on enhancing regional integration by standardizing agricultural practices and improving food safety measures to align with EU standards. This strategy includes infrastructure enhancements and technical support to modernize laboratories and harmonize sanitarv and phytosanitary (SPS) measures across the EAC. This alianment might create obstacles for U.S. agricultural exports due to stricter entry requirements, potentially setting a precedent that could influence U.S. exports not only to Kenya but to other markets across East Africa should similar standards be regionally adopted.

Additionally, the EU's involvement aims to boost the EAC's role in international standard-setting bodies, enhancing its global trade presence.

The EU-Kenya trade deal is a significant move towards aligning Kenya's agricultural and trade practices with the EU's science and risk-based standards. This partnership includes specific chapters dedicated to sustainable agriculture, ensuring that practices not only enhance economic growth but also address environmental and social standards. The deal also focuses on improving Kenya's agricultural sector by providing opportunities for farmers through better market access in the EU, protection of sensitive products and support for meeting EU standards.



U.S. Strategic Response and Implications

It's vital for U.S. policymakers and trade representatives to closely observe and actively engage with East African Community (EAC) countries. Enhancing bilateral and multilateral trade talks to protect U.S. agricultural interests is crucial. Offering technical support and capacity-building that reflect U.S. standards may help mitigate EU influence and encourage diverse regulatory approaches within the EAC. The U.S. should support the adoption of international standards that ensure fair market access and avoid favoring EU products. This includes promoting globally recognized standards over regional ones to prevent trade barriers and fostering dialogue on safe, science-based agricultural practices.

The EU's growing influence in Kenya and the EAC might alter market access protocols and trade dynamics, necessitating a flexible and proactive strategy from the U.S. agriculture sector. It's important for trade agreements and collaborations to be equitable to maintain U.S. competitiveness in these markets. As global agricultural trade evolves, the U.S. must stay alert and proactive in its engagements with Kenya and the EAC. By supporting fair competition and adhering to science-based standards, the U.S. can navigate EU influence challenges effectively and secure sustainable access for its agricultural products.

U.S.-Kenya Finish Another Round of STIP Negotiations

The U.S. and Kenya recently concluded a round of negotiations under their Strategic Trade and Investment Partnership, held in Washington, D.C., from April 2-12. During the round, USTR released a <u>summary</u> of a second tranche of agricultural negotiating texts it has proposed in its talks with Kenya. The U.S. proposal aims to facilitate trade, advance food security, and promote sustainable agricultural practices through cooperation in innovation and technology. The proposals emphasize the importance of tailored, science-based solutions and include provisions for technical consultations to address agricultural issues. Additionally, the text outlines good regulatory practices (GRPs) to enhance transparency and regulatory decisionmaking.

Food and Feed Safety Collaboration in the East African Community

The East African Community (EAC), established in its current form in 2000, is a regional intergovernmental organization comprising Kenya, Uganda, Tanzania, Rwanda, Burundi, South Sudan, the Democratic Republic of Congo, and, most recently, Somalia. The EAC's primary goal is to enhance economic, political and social integration among these partner states.



The history of the EAC dates back to early forms of cooperation among Kenya, Uganda, and Tanzania, starting with a Customs Union between Kenya and Uganda in 1917, which Tanzania joined in 1927. This was followed by a series of other cooperative arrangements leading up to the first East African Community, which existed from 1967 to 1977. After a hiatus, the nations re-established cooperation with the signing of the Agreement for the Establishment of the Permanent Tripartite Commission for East African Cooperation in 1993. This eventually led to the reformation of the EAC in 1999, with the treaty entering into force in 2000. Key milestones in the EAC's integration process include the establishment of a Customs Union in 2005, the implementation of a Common Market in 2010, and ongoing efforts towards a Monetary Union and ultimately a Political Federation. The inclusion of new members like South Sudan in 2016 and the Democratic Republic of Congo in 2022 underscores the EAC's expanding influence and integrative efforts in the region.

During a meeting hosted by the Uganda National Bureau of Standards (UNBS) on September 1, 2023, policymakers and decision-makers from the EAC committed to strengthening food safety controls and Codex standards in the region. The meeting involved representatives from Burundi, the Democratic Republic of the Congo, Kenya, South Sudan, Tanzania and Uganda.

Key actions agreed upon include:

- Enhanced engagement of EAC states in regional and international standard-setting bodies to contribute effectively to food safety standards development.
- Increased investment in food safety and Codex activities, including capacity building for value chain actors to manage risks and ensure compliance with food standards.
- Promotion of research into new technologies, methodologies and best practices for food safety management.
- Support for the implementation of regional and national food safety policies, frameworks and strategies.
- Strengthening of regulatory mechanisms to develop and enforce robust food safety policies, regulations and standards.
- Enhanced national and regional coordination and collaboration among EAC states to improve food safety practices and facilitate trade.
- Adoption and adaptation of international frameworks and best practices at national and regional levels to coordinate the implementation of sanitary and phytosanitary (SPS) measures.
- Development of strategies for public and stakeholder education on food safety and Codex

Additionally, four policy briefs were adopted, providing recommendations on managing the impact of pesticides, veterinary drugs, food additives and contaminants on food safety in the EAC. Key figures such as Uganda's Minister of Health, Hon. Dr. Jane Ruth Aceng Ocero, and the Minister of Trade, Industry, and Cooperatives, Hon. Francis Mwebesa, emphasized the importance of harmonizing regulatory mechanisms to ensure safe food for consumers and smooth trade within the EAC. This meeting marks a proactive step towards enhancing food safety standards and collaborative efforts in the East African region.

FAS Sunsetting GBI Funding

The Foreign Agricultural Service (FAS) is planning to phase out Global Broad-based Initiatives (GBIs), such as the one that funds FAEA's work, by the end of the Market Access Program's (MAP) PY 2026.

The decision to sunset GBIs is based on their evolution beyond their original purpose of fostering collaboration and addressing strategic challenges. This change will redirect at least \$3.5 million of MAP funding into the broader MAP budget for distribution among all cooperators. Despite this shift, FAS continues to value collaboration, evident in past programs and in proposals for the new Regional Agricultural Promotion Program (RAPP), and is exploring future options to support special projects that benefit the cooperator community through MAP funding.

This will be on the agenda for FAEA's next Board meeting in July.

PROGRAM UPDATES

BANGLADESH

FAEA is partnering with and supporting Venture 37 's Bangladesh Trade Facilitation (BTF) project and FAS post to influence Bangladesh's Import Policy Order, 2021-2024. The regulation has inconsistent and unscientific principles related to import testing and FAEA is planning to do desktop research and present how other countries and international organizations use a risk-based approach to testing. This project has an immediacy to it as Bangladesh is trying to finalize the import policy by July of this year. Other projects may include association capacity building and training on advocacy for the private sector and the importance of animal feed to the economy.

The <u>BTF project</u> aims to enhance the regional and international trade of agricultural goods and food products. This initiative focuses on streamlining processes at Bangladesh ports, implementing automation, and enhancing the infrastructure and capacity of governmental bodies and logistical systems. Key efforts include developing online ecertification systems, improving risk management and enhancing food safety standards.

NIGERIA

In collaboration with USDA's Nigeria Food Safety Modernization Capacity Building Project, FAEA is coordinating a technical workshop in Nigeria to coincide with World Food Safety Day in the first week of June. FAEA is setting up technical working groups composed of Nigerian experts to advance sciencebased regulations supporting Nigeria's new food safety law. The workshop, scheduled for June 6-7, will conclude with a significant ministerial event on June 7 to mark World Food Safety Day. Preparations for the workshop and the high-level event are progressing smoothly.

CAMBODIA

At the request of Cambodia's Ministry of Commerce, FAEA will bring together technical experts from government, academia and industry in July to develop a strategic action plan focused on enhancing information sharing, capacity building and collaborative rule-making processes. This initiative is designed to ensure the effective implementation of the Food Safety Law and foster coordination across various sectors involved in food safety regulation.

CODEX

The Food Industry Codex Coalition (FICC) met March 28th. FAEA members that are interested in or follow Codex work are highly encouraged to join FICC! The next FICC meeting is Thursday, May 16th from 11:00- 12:30 EDT. To attend please contact Nick Gardner, <u>ngardner@usdec.org</u>.

This past month FAEA reviewed the Codex Strategic Plan 2026-2031. It was determined that the current draft of the plan stays within the mandate of Codex focusing Codex efforts on food safety and harmonization of trade. The plan recognizes the need for Codex to be nimble and react to an ever-changing food environment but does not suggest work outside of its current sphere. Considering the nature of this current draft, we did not comment. The Codex Committee on Contaminants in Food (CCCF) met Apr. 15-19 in Panama City, Panama. FAEA is following the work on pyrrolizidine alkaloids, tropane alkaloids, acrylamide, and cadmium, amongst other topics. The meeting details, including the agenda and relevant papers can be found <u>HERE</u>.

Mallory Gaines is hosting an FAEA Codex Strategy Session on Wednesday, April 24th from 12:00- 1:00 EDT. A Teams invitation has been sent out, if you have not received it and would like to participate, please email Mallory, mgaines@afia.org You can review the FAEA Codex strategy and workplan document prior to the call <u>HERE</u>. The updated list of meetings, meeting reports and documents for upcoming Codex meetings can be found <u>HERE</u>.

ED MONTHLY ACTIVITY REPORT

March was bustling with vital activities, key implementations and strategic collaborations—all aimed at strengthening our programs and enhancing our impact. We have been working to ensure that all planned programs are not only on schedule but are also aligned with our strategic objectives.

Collaboration remains a cornerstone of our operations. Throughout March, we engaged with various partners and stakeholders, leveraging their insights and expertise to enhance our program offerings. These partnerships are invaluable as they enrich our perspectives and equip us with additional resources to further our mission.

I'm also excited to announce further enhancements to our website this month. Notably, the <u>Codex page</u> has been updated and we've added a new section dedicated to the <u>upcoming Codex meetings</u>. This calendar page will serve as a valuable resource for all stakeholders, keeping you informed about important dates and details for these significant meetings.

A major highlight this month has been our concerted effort in preparing the annual Global Broad-based Initiative (GBI) proposal submission for 2025. This is a significant undertaking as it shapes our funding and strategic direction for the upcoming year.

-Gina Tumbarello