ANALYSIS OF POLICY GAPS THAT HINDER REGIONAL TRADE OF ORGANIC PRODUCTS IN EAST AFRICA
Executive Summary

Brief project description and context

Tanzania Organic Agriculture Movement (TOAM) in collaboration with the Kenya Organic Agriculture Network (KOAN) and National Organic Agriculture Movement of Uganda (NOGAMU) intends to create an influential joined-up lobbying and advocacy mechanism to tackle policy barriers to trade in Organic Products. To inform this process, TRAC Fund and IFOAM (through the OTEA - Organic Trade in East Africa - project), provided funds to undertake a thorough qualitative and quantitative research study to establish the policy gaps that hinder or facilitate regional and international trade in organic products.

Purpose and expected use of the study

The purpose of the study is to research and gather data on the value of organic trade lost and documentary evidence of the hardship caused by the policy barriers, undertake policy gap analysis on the current national and regional policies as related to Ecological Organic Agriculture (EOA) development in East Africa, gathering views and issues from traders in organic produce, and policy-makers and influencers (e.g. line ministries in Agriculture and Trade).

Objectives of the study

- To identify, evaluate and document key policy barriers to organic trade within the East African region;
- To identify, evaluate and document key policy barriers to trade of organic products between the region and the rest of the world;
- To estimate the value of organic trade lost as a result of the barriers identified;
- To document evidence of hardship caused by the barriers identified;
- To identify opportunities in the policy environment for regional trade in organic products and the development of Ecological Organic Agriculture (EOA);
- To make key recommendations that can improve trade of organic produce in the region;
- To guide future awareness raising, advocacy and policy improvements in the organic sector in East Africa.

Methodology

- meeting with the project partner representatives to discuss and review methodology and approach to be used;
- reviewing all technical documentation related to organic farming in respective countries;
• reviewing three national policy barrier studies (developed as part of the OSOSEA project) to help inform the creation of policy briefs;
• collecting and synthesizing inputs by consulting relevant stakeholders, particularly organic traders, and policy makers (e.g. in-person, telephone interviews, correspondence).

Principal findings and conclusions

The study found that there is very little policy guidance or state support for the organic sub sector in the EA region. In Tanzania there is some mention of organic agriculture in the national agriculture policy but in Uganda and Kenya, there is no policy that directly refers to organic agriculture. Policy barriers to the sector were also identified. These include the aforementioned lack of policy guidance, the excess of bureaucracy at borders, which disproportionately affects organic farmers, and the lack of consistency in quality required between each of the three countries at trade level. Opportunities include better coordination between organic operators in the three countries, through trade in organic products with comparative advantage. The Kilimohai Mark was also identified as a strong opportunity if fully exploited by the state through policy.

Key recommendations

• Develop an organic agriculture policy in each of the three East African nations;
• Address the bureaucracy currently holding up trade at the borders and increasing the costs of doing business;
• Support export promotion activities in each country;
• Focus on up scaling the production of highly demanded crops;
• The environmental benefits should be better understood;
• More effort is needed in the promotion of the East Africa Organic Mark;
• Harmonize or establish an accredited EAC Certification Body;
• Kenya and Tanzania should learn lessons from Uganda, where public institutions are promoting the organic sector.

Summary of lessons learned

In order to develop trade in the sector, there must be organic policies in place in each country, as well as regional guidance on organic trade. Bureaucracy at borders is causing a disproportionately large barrier to organic traders and should therefore be addressed. The potential of the Kilimohai Mark is being neglected. The mark is a unique system that should facilitate smooth certification and trade between organic operators in the region.
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List of Acronyms and Abbreviations

EOAAI  Ecological Organic Agriculture for Africa Initiative
EAC    East African Community
EOA    Ecological Organic Agriculture
GMO    Genetically Modified Organisms
KOAM   Kenya Organic Agriculture Movement
NOGAMU National Organic Agriculture Movement of Uganda
OSOSEA One Stop Organic Shop East Africa
IFOAM  International Federation of Organic Agriculture Movements
TOAM   Tanzania Organic Agriculture Movement
PELUM  Participatory Ecological Land Use Management Tanzania
1. Background information

All five members of the East African Community (EAC) – Burundi, Kenya, Rwanda, Tanzania, and Uganda – are highly dependent on agriculture for national income and employment. As is the case with many other developing countries, agricultural development in the EAC region is a critical component in overall economic development. Raising farmers’ incomes can have significant secondary effects on other parts of the economy, including the demand for farm inputs, services, processing facilities, as well as non-farm goods also rise. Beyond economic considerations, organic agriculture brings with it numerous other benefits for sustainable development. Environmental benefits from increased organic agricultural cultivation include lower energy consumption (20-56 per cent lower per unit produced (Mader et al., 2002), reduced greenhouse gas emissions (on average 64 per cent lower per hectare (Kuestermann and Huelbergen, 2008), higher levels of biodiversity (Hole et al., 2005; Bentsson et al., 2005), and increased soil fertility (Mader et al., 2002), leading to the possibility of equivalent or higher yields compared to conventional farming. Increased soil fertility can also help combat desertification by preventing erosion and land degradation (Posner et al., 2008). Besides environmental benefits, organic agriculture can increase food security resulting from higher productivity and therefore higher yields. Measured impacts are particularly strong in subsistence agricultural systems with yield increases of up to 180 per cent (Scialabba, 2007). Increased agricultural employment further leads to reduced rural-urban migration (UNEP, ILO, IOE, ITUC, 2008).

The massive utilization of chemicals in the intensification of crop and livestock production has various adverse effects not only on the environment and soil fertility but also on social and economic conditions of farmers on one part and consumer on the other. This has led various institutions to promote organic farming, which might significantly improve the health and economic situation of smallholder resource poor farmers and maintain ecological stability of agricultural systems. Ecological agriculture fosters biodiversity that is, in itself, resilient to impacts of climate change (Ensor, 2009). It depends on and sustains ecosystem services as well as tapping into and enhancing the knowledge, practices and innovations of local communities leading to more reliable and increased food security and incomes. Biodiverse agriculture works with nature, in contrast to the 21st century ‘conventional/industrial’ agriculture, which leads to factory-style agricultural systems and reduced diversity (Lim Li Ching, 2011). The challenge confronting the SSA in general and East Africa in particular requires speeding up, scaling out, and sharing relevant knowledge, practices and experiences and appropriate policies and strategies to put into practice ecological organic agriculture by educators and farmers. East Africa currently leads the continent in production and exports of certified organic products. Domestic markets are also growing rapidly, in part through the efforts of the Kenya Organic Agriculture Network (KOAN), the Tanzanian Organic Agriculture Movement (TOAM) and the National Organic Agricultural Movement of Uganda (NOGAMU).
Policy barriers to regional organic trade abound. For example, the different national Bureaus of Standards do not recognize each other’s compliance certificates for processed goods. Tanzania’s maize export ban seriously compromised regional trade, while the introduction of GMOs hinders access to lucrative European markets for organic produce. It is clear that policy makers need to be lobbied to support reforms and provide exceptions to well meaning but counterproductive policy instruments.

This is the final report prepared after reviewing several background information sources, consultation with respective organic institutions in the three East African countries (TOAM, NOGAMU, KOAN), farmers, traders, exporters and consumers. The purpose was to explore important avenues in the form of people (key stakeholders), locations and activities that should be reached during the actual study mission within and beyond TOAM areas of operation.

1.1 Situation of organic farming in Eastern African countries

1.1.1 Kenya

Formal organic agriculture in Kenya dates back to the early 1980s when the first pioneer organic training institutions were established. At the same time, a few horticultural companies started growing organic vegetables for export. Initial efforts to promote organic agriculture in Kenya were made by rural development non-governmental organizations (NGOs), faith-based organizations, individuals and community-based organizations (CBOs), who sought to help rural farmers address the issues of declining agricultural productivity (especially the degradation of soils and the natural resource base), high poverty levels, food insecurity and low incomes, which prevented farmers accessing high cost inputs. Organic farming was seen as a low cost approach to mitigate the above situations. This “poor man” image of the organic sector, especially among NGOs, continues to this day and may have contributed to the low level of commercialization of the organic sector at the smallholder level.

The organic sector is relatively small but fast growing and led mainly by civil society organizations (CSOs) and the private sector (companies growing organic produce for export). The main objectives are to diversify production of food at the household level in a sustainable way and, at the same time, ensure ecological sustainability of the farming systems and increase household incomes through market access. The government has not yet recognized the role of organic agriculture through its policies and could increase efforts to promote the sector. Organic products — mainly vegetables and fruits produced on large-scale farms — have been exported from Kenya over the past two decades. Over the years, exports have developed beyond vegetables and fruits to include other products such as essential oils, dried herbs and spices, as well as products for the cosmetic and pharmaceutical industries, which are more often produced or collected by smallholders.
Most smallholders are organized into groups and some of these are registered. Three years ago, some small-scale organic farmers formed a national representative organization, the Kenya Organic Farmers Association (KOFA). Larger companies and commercial farmers who are already in the export market have organized themselves into the Kenya Organic Producers Association (KOPA). Last year, organic agriculture stakeholders in Kenya, including KOPA and KOFA, formed the umbrella network KOAN to support the successful growth of the sector. There are four main international certifiers operating in Kenya, they are: the Soil Association (SA), EcoCert International, IMO (Institute for Market ecology) and Bio Suisse. There are currently over 180,000 hectares of land under organic certification for export markets, plus another 853 hectares in conversion. There is also a significant area soon to be in conversion for wild harvested products.

Organic agriculture in Kenya formally began in the eighties. Major pioneers being driven by the belief that OA system is the best to in solving the rural and smallholder problems of food insecurity & soil degradation. It is regarded as a low cost approach to mitigate the high cost conventional farming. Since then the organic sector is growing with great support from the private sector mainly of the country. Kenya organic sector produces mainly assorted vegetables, fruits, herbs and essential oils. Main producers for long time remained to be the smallholders organized in groups, spread throughout country. Kenya has organized organic macerates through two main organizations of producers: Kenya Organic Farmers Association (KOFA), and Kenya Organic Producers Association (KOPA). Together they are linked by a national supporting networking organization KOAN.

1.1.2 Tanzania

Most farmers in Tanzania, both before and just after independence, were practicing traditional farming, with a strong bias towards low input principles. Immediately after independence the Tanzanian Government introduced a number of interventions that were aimed at speeding up rural and socio-economic development. Enhancement of food security and raising household income were set as priorities. The interventions included the introduction and intensive use of industrial fertilizers, pesticides and hybrid seeds. In order to speed up early adoption of the use of these agricultural inputs the government introduced significant subsidies. In following years, production increased tremendously with maize production reaching 20 – 30 bags per acre.

However, with the passage of time, productivity began to decline which was attributed to, among others things, mismanagement of these agricultural inputs. Also the price of these inputs continued to rise due to the introduction of trade liberalization and privatization policies, which included agricultural input procurement and distribution. This increase led to a decline in the use of agricultural inputs and gave rise to an increase in crop pests and diseases.
Organic history goes back to September 1898 when the first organic garden was founded at Peramiho in southern Tanzania. Since it was started, the garden has been fertilized by stable manure, compost, wood ash and latterly green manure, thereby creating a foundation for permanent soil fertility (Bertram, 1997). In an effort to assist farmers to address the problems associated with production decline and increasing input prices, NGOs launched sustainable, organic and, in some cases, ecological farming initiatives.

Most of these initiatives were based on practices and principles, which are today embedded in organic agriculture. The NGOs included: EGAJ, Inades Tanzania, Pelum, Sunnhemp Seed Bank, ADP-Mbozi and Kilimo Hai Tanzania (KIHATA). The projects included: SECAP-GTZ, Meatu Cotton Project, Hifadhi Mazingira (HIMA) and Babati Land Use Management Programme (LAMP). The Tanzania Organic Agriculture Movement (TOAM) is the umbrella organization for organic agriculture in Tanzania. KIHATA previously handled the organic sector but it didn’t have full participation from all stakeholders therefore TOAM was established. In 2005 TOAM developed a strategy plan with five pillars to guide its future activities. TOAM has recently been involved in media conferences as well as a meeting with the Ministry of Agriculture, Food Security and Cooperatives to create a common understanding of organic agriculture.

Other institutions involved in organic agriculture include: Sokoine University, Agricultural and Livestock Training Institutes, Neem Botanical Research Station and Tengeru. These developments have significantly contributed to the current status of certified organic production in Tanzania, which includes the following produce:

- Honey from Tabora, Iringa and Rufiji;
- Pineapple from Njombe in the Iringa region;
- Coffee from Bukoba and Kilimanjaro;
- Cashew nuts from Mkuranga in the coast region;
- Turmeric from Mbeya;
- Cocoa from Kyela;
- Ginger from Kigoma, Tanga, Morogoro and later Iringa;
- Tea from Njombe and Tanga;
- Cotton from Meatu;
- Various herbs and spices from Zanzibar; and
- Spices from the Kimango farm in Morogoro

Tanzania has comparative advantages in organic agriculture in banana, sunflower, green gram and beans among East African countries. According to statistics by FAO (2015), Tanzania ranked first in production of all three crops with 10-year average production of 0.75 million tonnes of dry beans, 2.72 million tonnes of banana and 0.46 million tonnes of sunflower seeds. The 10-year average of beans, banana and sunflower in Kenya were 0.53 million tonnes, 1.40 million tonnes and 0.01 million tonnes, respectively. In Uganda the 10-
year average production was 0.46 million tonnes for beans, 0.58 million tons for banana and 0.21 million tonnes for sunflower seeds. The statistics also showed low productivity of all these crops per unit area, suggesting the potential for improvement. Thus, there is great potential for cross border trade for these crops and their products in EA. Organic banana and beans are produced along with organic certified coffee while organic sunflower and green gram is often grown in organic certified cotton areas of Tanzania. The cross border marketing of these organically produced banana, beans, green gram and sunflower from Tanzania to other EAC countries has potential benefit considering the comparative advantages of Tanzania over other EA countries. However, these crops do not get premium price for organic crops due to lack of certification as organic crops and more often traded through unregistered trade due to presence of various trade barriers. The volume of the cross border marketing could be established because the crops are traded as non-organic crops and most often not registered at the border.

1.1.3 Uganda

The driving force behind the organic agricultural movement in Uganda is the export market. As early as 1994 a few commercial companies began deliberately engaging in organic agriculture, with an eye on the export market. At the same time in Uganda, there was a general movement in the agricultural sector aimed at developing sustainable agriculture as a means of improving peoples’ livelihoods. Many NGOs, CBOs and the government promoted an approach to agriculture that would allow for the safeguarding of food security, help to provide income, maintain soil fertility and control pests. From here, it was only a small step towards embracing organic agriculture, which, with its emphasis on nature, was found to be palatable to Ugandans.

Historically, Ugandans have had a great regard for nature and respect for nature is ingrained. Living in a symbiotic relationship with nature is stressed and cultural totems amongst the Ugandan peoples have meant that Ugandans grow up relating to their role within the natural order of things. No doubt this has contributed to their predisposition toward the practices of organic agriculture and helped facilitate the successful establishment of NOGAMU, which began in 2001, and by mid-2005 had attracted over 300 individual members and 80 corporate members. Many of the corporate NOGAMU members have membership in the thousands, meaning that NOGAMU is linked to 25,000 stakeholders in the organic sector.

NOGAMU works with a designated partner organization in different localities, thereby spreading its influence nationwide. In the north of the country, it works with the Lango Organic Farming Promotion, in the east, Students Partnership Worldwide, and in the west, the Sustainable Agriculture Trainers Network. On the socio-economic front, NOGAMU has a deliberate policy of ensuring farmer influence on the directives and direction of the organization. The Central Committee is elected every two years by the members.
Additionally, the four activity committees of marketing, training, lobbying/advocacy and organic standards, allow a further chance for farmer participation in the running of the organization. On another level, NOGAMU has members representing both processors/exporters and producers. This degree of coordination within the organic sector in Uganda has allowed the organic agricultural movement in Uganda to:

- Lobby as a body against the proposed use of DDT by the Ministry of Health;
- Attend international trade fairs as a body, slowly carving out a solid reputation for Uganda in the international organics market;
- Lobby government for a policy on organic agriculture
- Develop a training guide for the practice of organic agriculture in Uganda;
- Develop organic standards; and
- Be involved in the setting up of UgoCert, Uganda’s certifying body
2 This study

2.1 The problem

Tanzania Organic Agriculture Movement (TOAM) in collaboration with the Kenya Organic Agriculture Network (KOAN) and National Organic Agriculture Movement of Uganda (NOGAMU) intends to create an influential joined-up lobbying and advocacy mechanism to tackle policy barriers to trade in Organic Products. To inform this process, TRAC Fund and IFOAM (through the OTEA - Organic Trade in East Africa - project), provided funds to undertake thorough qualitative and quantitative research through to establish the policy gaps that hinder or facilitate regional and international trade in organic products. In this regard this regional study was proposed across the three participating East African countries (Tanzania, Kenya, Uganda) to better understand the barriers, and to inform the policy advocacy work designed to bring about policy change. The study was directed by the hypothesis that the value of regional and international organic trade lost and documentary evidence of the hardship caused by the policy barriers to cross-border trade of organic products in EA

2.2 The purpose of the study

Research and gather data on the value of organic trade lost and documentary evidence of the hardship caused by the policy barriers, undertake policy gap analysis on the current national and regional policies as related to Ecological Organic Agriculture (EOA) development in East Africa, gathering views and issues from traders in organic produce, and policy-makers and influencers (e.g. line ministries in Agriculture and Trade). Specifically the study sought to address the following specific key aspects:

- To identify, evaluate and document key policy barriers to organic trade within the East African region;
- To identify, evaluate and document key policy barriers to trade of organic products between the region and the rest of the world;
- To estimate the value of organic trade lost as a result of the barriers identified;
- To document evidence of hardship caused by the barriers identified;
- To identify opportunities in the policy environment for regional trade in organic products and the development of Ecological Organic Agriculture (EOA);
- To make key recommendations that can improve trade of organic produce in the region;
- To assess the extent of traders’ participation in the policy-making process;
- To guide future awareness raising, advocacy and policy improvements in the organic sector in East Africa.
2.3 Expected Outputs

At the end of the study the following outputs are expected. First is a comprehensive report that presents results of the study in three east African countries. Secondly a PowerPoint presentation summary that should be customized to various target groups/policy makers for future use during advocacy and campaigns, and thirdly nine policy briefs that summarize few of the few of the most interesting findings. So this is the report that combines interesting views from several stakeholders in the study countries. The power point slides and the policy briefs will concurrently be produced after the client has accepted this report.

2.4 Audience for and use of the study

The main target audiences for the study findings are policy makers in each of the three countries, along with other organic stakeholders: farmers, civil society and farmers’ organisations.
3 Study methodology

3.1 Location of the study

The study was conducted in the three countries of Kenya, Tanzania and Uganda.

KENYA: Straddling the equator, between latitudes 4oN and 4oS, and longitudes 34oE and 41oE, Kenya is the second largest country after Tanzania. The country borders on the east by Somalia and the Indian Ocean, on the north by Ethiopia and Sudan, on the west by Uganda and on the south by Tanzania. Kenya's regions make up two larger divisions: one consisting of elevated lands forming the southwestern third of the country, the remaining two-thirds forming an arc of low plateaus and plains. The land rises gradually westward from a narrow
coastal plain in a series of plateaus, culminating in a highland area that is bisected by the Great Rift Valley and includes the country's highest point, Mount Kenya.

The northern and north-eastern regions of the country consist mainly of arid plains and are peopled by semi-nomadic pastoralists. A combination of meteorological and topographic factors give the result that only about one-seventh of Kenya's land area, mainly the coastal and southern highland regions, receive a reliable yearly rainfall of thirty inches or more. Though much of country has two wet and two dry seasons, total rainfall varies unpredictably. Its highlands are temperate and its coastal zone hot and humid; arid areas are generally hot.

Much of Kenya's population traditionally engages in farming for its subsistence and income. However, an expanding economy allowed Kenya during 1964-72 to lead most African countries in its growth rate, largely due to tourism, consumer manufacturing, and crop exports, though its economy has not been consistently strong in all regions. Agriculture still accounts for 30% of the country's GDP. Kenya has the largest economy of the three countries of the East African Community by virtue of its population, though its GDP per head in 1996 was marginally lower than Uganda in dollar terms.

**UGANDA** occupies about 243,411 sq. km located between latitude 0°30' and 4°0 N. Uganda is bordered on the east by Kenya, on the west by the Democratic Republic of the Congo (Zaire), on the north by Sudan, on the southwest by Rwanda and the south by Tanzania. Uganda's land consists of a number of plateaus, which roll gently towards the northwest, where they meet the Nile. There are volcanic mountain ranges and numerous rivers. The mountain regions lie to the east and west. Uganda's climate is tropical, though temperatures cool with increasing altitude. Its annual rainfall ranges from more than 2,100 millimetres around Lake Victoria to about 500 millimetres in the northeast. Vegetation is heaviest in the south. Plant cover thins in the savannah and dry plain regions in the northeast.

Uganda's economy is predominately based on agriculture, which accounts for about 44% of its GDP. Most Ugandans gained their livelihood in the difficult years of the 1970s and 1980s by working in the informal agricultural sector. Food crop production is the most important economic activity, accounting for over one quarter of the nation's GDP, compared with only 5% for cash crops. Manufacturing output contributes a further 9%. Most agricultural production is concentrated in the southern regions, where climatic conditions support the densest rural populations in the nation.

Uganda's major exports are coffee, cotton and tea. Its major imports are petroleum products, machinery, cotton piece goods, metals, transportation equipment, and food. The main buyers of Uganda's export products are the US, the UK, France and Spain; the major sellers of Uganda's imports are Kenya, the UK and Japan.
The staple food around Lake Victoria is a starchy mixture of baked bananas known as *matoke*. In the West and Northwest, the staple foods are millet and sorghum supplemented by peanuts and cassava. The pastoral tribes subsist largely on animal products, including animal blood and meat. Fish is also popular.

**TANZANIA:** Occupying approximately 950,000 sq. km, Tanzania is the three study countries. The country is bordered by Uganda and Kenya to the north; Zambia, Mozambique and Malawi to the south; Rwanda, Burundi and Zaire to the west; and the Indian Ocean to the east. The mainland has several distinct geographical divisions: the Coastal Plains, whose width varies from 16km to 64km and whose vegetation is luxuriant and tropical; the Masai steppe: the north side 213-1067m, 698-3500ft above sea level; the high plateau, located in the south towards Zambia, and Lake Nyasa. Savannah and bush cover almost 50% of Tanzania’s land; the remaining land is semi-desert, with the exception of the coastal plains. More than 53,000 sq. km is covered by inland water, mostly lakes (see LAKES) formed in the Rift Valley. Zanzibar and Pemba are islands about 45km off the coast to the northeast of the mainland.

Tanzania has tropical and coastal areas are hot and humid, with the rainy season lasting from March to May; the Central Plateau is dry and arid; the north-western highlands are cool and moderate with rainy seasons from November to December and February to May.

The economy of Tanzania is based on agriculture, which accounts for 25% of its GDP and more than 80% of employment and export earnings. Most Tanzanians are farmers living in rural villages. Forests cover about 50% of the country. Wood and charcoal supply more than 90% of its energy. Livestock: circa 19 m cattle, 5 m sheep, and 280,000 pigs. Major Industries are those related to agricultural products (sugar, beer, cigarettes, sisal, oil refining, shoes, cement, textiles, wood products, fertilizers are also important products). Important minerals: diamond, gold, tin and coal. Principle exports: coffee, cotton, cashew nuts, tobacco, tea, and diamonds. Main imports: food, fuels, machinery and equipment.

### 3.2 Data sources

In this study both qualitative and quantitative data were collected. Crop and livestock based organic product data specifically but not limited to following list were collected:

- Main organic products which are organically produces
- Locations of production
- Volume of production
- Volume of organic products formally traded per year
- Methods of trading including main outlets (local and export)
- Quality traded including value addition
- Key players in organic products trading
• National policies, guidelines and by-laws related to organic farming
• Challenges in organic product markets & marketing
• Barriers facing organic products marketing (local & export)
• Local and international standards for organic products

In each country, opinion of key players along the organic farming (vertical and horizontal) value chain covering production, outlet points, exporters and service providers; trainers, researchers, academician and policy makers were contacted.

3.3 Methods for data collection and analysis, participatory techniques

As stipulated in the ToR four criteria for data collection were adopted. These included:

• meeting with the project partner representatives to discuss and review methodology and approach to be used;
• review all technical documentation related to organic farming in respective countries
• reviewing three national policy barrier studies (developed as part of the OSOSEA project) to help inform the creation of policy briefs; and,
• collect and synthesize inputs by consulting relevant stakeholders, particularly organic traders, and policy makers (e.g. in-person, telephone interviews, correspondence).

This information formed the cornerstone for data collection. Hence, three methods were used comprised the following:

i. Review of relevant information to regarding organic farming in respective countries, general agriculture, trade, marketing policies and specific policies touching base on organic farming. Main sources were grey and electronic literature from published works, report and relevant studies.

ii. Interviewing the key informants in the sectors. These include but not limited to stakeholders, particularly organic farmers, traders, exporters, bureau standards, licensing authorizes, researchers, and policy makers. Checklist to guide the process is presented in Appendix 4. Methods such as in-person, telephone interviews, and correspondence were used wherever applicable. Main sources of this background information was from the respective country Ministries related to agriculture, trade and environment, NGOs, research stations & Universities, CBO, and web-sites. In this context, contact persons in the respective country assisted the consultants to sample few stakeholders who will be contacted physically or telephone.

iii. Initially a standardized questionnaire was developed, however due to diversity of the respondents in terms of production, marketing, institution and level of participation in Organic value chain, it was not feasible to administer the questionnaire to the would be the respondents. Hence checklist was the main tool used for collecting data used for this study.
To enable timely completion of the exercise, the study was done in parallel where one consultant covered one although used same data collection tools. Minor modifications were done to suit the country specific requirements. Furthermore, it was expected that target groups would be physically visited. However in some cases especially accessibility was proved to be difficult, telephone conversation was more convenient and hence was used to collect information and data without compromising its quality. Some of the respondents preferred to be sent same checklist through e-mail (list of people contacted is presented in Annex 2).

3.3.1 Ethical and equity considerations
Where a group of producers was involved, opinions of both male and female were equally sought.

3.3.2 Rationale for choice of methodology
The methodology was simple and convenient due to time limit and how scattered and spread out are the organic production units within the vast areas in the region.

3.4 Major limitations of the methodology
There was a limited resource in terms of time and funds to reach an ideal number of respondents. Another limitation was difficulties getting information from government institution due to normal government bureaucracy.
### Composition of the research team, including any specific roles of team members

A team of three consultants as summarized in Table 2 below implemented this work.

<table>
<thead>
<tr>
<th></th>
<th>Consultant Name</th>
<th>Role and Experience</th>
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<tbody>
<tr>
<td>1</td>
<td>Joseph Hella (PhD)</td>
<td>Joseph is a Professor agricultural economist and agribusiness expert working for Sokoine University of Agriculture (SUA). He has participated in number of consultancy assignments in Tanzania, Kenya, Uganda including evaluation of AGRA funded PASS programme. He is currently a PI for the 5 years DANIDA funded project for research on organic cotton production for income generation, employment and poverty in Tanzania and Benin. Joseph was responsible for collecting data in Uganda.</td>
</tr>
<tr>
<td>2</td>
<td>Nyambilila Amour (PhD)</td>
<td>Nyambilila is Senior Lecturer and renowned soil scientist with long and excellent research experience in organic farming and soils related consultancy assignments within and outside Tanzania. She has been involved in a number of studies as a researcher within and outside Tanzania. She is a member of DANIDA funded organic cotton project in Tanzania and Benin. In this assignment she will be responsible for issues related to soil fertility and agronomical aspects. Nyambilila was responsible for data collection in Tanzania.</td>
</tr>
<tr>
<td>3</td>
<td>Leonard Mtama (Mr)</td>
<td>Leonard has extended experience in organic farming. He is retired officer after a distinguished career as Organic Farming Certification officer with TanCET. He was responsible for establishing standards for several crops produced organically. Currently is practicing organic farming in his hometown of Njobe in Southern Tanzania. In this study Leonard was responsible for sharing his experience is organic farming. Leonard will be responsible for collecting data in Kenya.</td>
</tr>
</tbody>
</table>
4 Study findings

4.1 Organic product and marketing in AEC

4.1.1 Kenya

The plan was to reach 45 respondents and at least pick four crops for referencing. Respondents were selected among many after consulting with KOAN. Few were physically visited and the rest by telephone conversations. Up to date, ten were visited in Nairobi and Limuru. Another 15 were reached through mobile phones and emails.

- The results show that there is no regulation of the term “ORGANIC” in the country. Producers, likewise consumers use the two terms, organic and natural, interchangeably. This may confuse even the policy makers and lobbyists who intend to advocate and regulate the trade of the organic products.
- There are no separate trading procedures and or policies exclusively for the organic produces; organic producers have to follow the same procedures as non-organic produces when they intend to cross the border. The government is neither a custodian of non-regulated organic labelling, yet adopted the EAOPS.
- The KILIMO HAI mark is regarded as a trademark rather than a quality mark.
- There are no clear procedures, rules and regulations that foresee the credibility of the local CBs in the country.
- According to organic consumer alliance of Kenya, there is a limited education and understanding of organic products business among stakeholder. This leads to lacking of a development of trade policy for organic products.
- Low sensitization among consumers of the organic products that may lead to its high demand and production.
- Volumes produced not worthy trading across border. The production of vegetables in Kenya is still in small quantities; even not enough for the internal market which have a higher demand than what is produced; observed from all organic producers and outlet visited.
- Producers find that the certification process is still complicated, and too demanding in terms of documentations and resources for small scale farmer.
**Kenya study checklist summary**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Explanation</th>
</tr>
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<tbody>
<tr>
<td><strong>Volume of production</strong></td>
<td>Farm producers and kiosks or grocery owners have same opinion of having small volume while the demand is high. The supply is not consistent in terms of volumes and quality. The main reason is that they have constant customers to save with constant demand; for instance, Kawamwaki farm which was at low season during the visit because most of the customers travelled abroad for summer vacation. Other factors being lack of irrigation infrastructures, inputs, and capital for expansion.</td>
</tr>
<tr>
<td><strong>Volume of organic products formally traded per year</strong></td>
<td>The supply is not stable and seasonal at peak season at traded volumes goes up to two tones, of assorted vegetables according to producer opinion. At the Archdiocesan Farm, the sales are gaining, but remained constant in many other units.</td>
</tr>
<tr>
<td><strong>Methods of trading including main outlets</strong></td>
<td>Farmers brings their small produces at CITY opened market like that at RUSTNAILS HOTEL in Karen village, US-COMPUND and KILIMANI; and KIOSKS. In Limuru farmers were buying direct from the organic farm unit. Some producers have fixed buyer to who they only produce for. Also there are operators who export vegetables and fruits certified for such international markets.</td>
</tr>
<tr>
<td><strong>Challenges of marketing of organic products</strong></td>
<td>Low volumes that are produced does attract external market Inconsistent supply in terms of quality; producers delays or reluctant to renew their certificated High costs of complying with packaging, labelling materials and procedures Lack of market information across the region; they depend on CBO to facilitate small producer access information through international exhibitions and trade fairs.</td>
</tr>
<tr>
<td><strong>Value addition initiatives</strong></td>
<td>Most of the operators conducted asserted that, at the farm level: sorting and grading. Most of the leafy vegetables are sold fresh at farm gate and kiosks. In Limuru, farmers were buying direct from the organic farm without being aware of the quality of the product as organic. While at processing, the product is changed its form, packaging and labelling. The costs of packaging materials and labelling is not in favour of these small volume producers</td>
</tr>
<tr>
<td><strong>Key players in organic products trading what are their roles in your farming, processing marketing</strong></td>
<td>Organic Movements: Is coordinating, facilitating and providing leadership and professional services to the sector in Kenya. They provide good links to the markets though limited with resource Government: Reluctant to recognize the contribution of this sector. No</td>
</tr>
</tbody>
</table>
activities

Government institutions: Very little research has been happening. The sector lacks appropriate inputs according to organic requirements. Resources to these players are also not enough.

Civil society organisation: Plays a great role, yet lobbying with government needs more effort. Their capacity has to be raised time to time to cope with changes in rules and regulations of both government and organic.

Certification bodies: Remained too many producers as resource consuming when attempting to comply with the requirements. Since in some cases the produces end at conventional markets, CBs has to consider their costing regime.

Nations policies, guidelines and by-laws governing organic farming in production; local market and international market

In general, there is no policy and law for organic; the production and market depend on EAOPS; other related policy is ENVIRONMENTAL MANAGEMENT AND CO-ORDINATION ACT that elaborates issues of conserving and protection of the ecosystem.

Challenges in organic product markets & marketing

Limited volumes only available
Lack of appropriate policies
Availability of policies and regulations that have direct threat to organic production (introduction of GM) in the country;
Labelling being complicated in case of export. For instance some countries in EU need to have extra label in addition to EU label. Likewise for USA and Japan markets. This increases the costs of label production and designing

Barriers facing organic products marketing (local & export)

Certification procedures

4.1.2 Tanzania

Tanzania is having the second largest acreage under certified farming after Uganda. Expert views of the study checklist topics is as indicated in the table below.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>Volume of production</td>
<td>Except for organic cotton produced through contractual arrangement with small farmers and estate coffee and tea farms, volume of production is still very small. To increase volume of production, producers are organized in working groups. Marketing is also done</td>
</tr>
</tbody>
</table>
| **Volume of organic products formally traded per year** | Due to rain fed nature of facing organic production, the supply is not stable and seasonal’ at peak season at traded volumes goes up to two tones, of assorted vegetables; according to producer opinion.
At the Archdiocesan Farm, the sales are gaining, but remained constant in many other units. |
| **Methods of trading including main outlets** | Trading of organic products is reported to be a nightmare. For large tea, coffee and to some extent cotton, the producers marketing is done by the companies through pre arranged contractual arrangements. However for small-producers, agents paid by large volume buyers do the marketing. Small farmers don’t know market outlets so the traders usually set prices. There are very few outlets of organic produce in Tanzania. Producers located near Uganda and Kenya borders usually sell their organic products to these countries. |
| **Challenges of marketing of organic products** | ° Low volumes that are produced does attract external market
° Inconsistent supply in terms of quality; producers delays or reluctant to renew their certificated
° High costs of complying with packaging, labelling materials and procedures
° Lack of market information across the region; they depend on CBO to facilitate small-producer access information through international exhibitions and trade fairs.
° Selling food items across the border is subject to number barriers which discourage produces who decide to sale without required premium |
| **Value addition initiatives** | Most of the operators conducted asserted that, at the farm level: sorting and grading. Most of the leafy vegetables are sold fresh at farm gate and kiosks. |
| **Key players in organic products trading what are their roles in the farming, processing marketing activities** | Organic Movements: Is coordinating, facilitating and providing leadership and professional services to the sector in Tanzania. They provide good links to the markets though limited with resource.
Government: Reluctant to recognize the contribution of this sector. No policy has been set as government directive to its development.
Government institutions: Has recognized what is happening in the world of organic produce by creating organic desk at the Ministry of agriculture. However little is done by the government to push the organic agenda through input subsidies, experts, financial subvention and mass campaign. The sector lacks appropriate inputs according to organic requirements. Resources to this players is also not enough.
Civil society organisation: Like in Kenya civil societies plays a great role organ farming in Tanzania. Voice of the government for lobbying |
is needed to create awareness. Certification bodies: Certification is done according EU, Japan, US and east Africa standards. Due small scale nature of organic production, producers consider to be very expensive and confusing due to multiplicity of the certification as resource consuming when attempting to comply with the requirements. Since in some cases the produces end at conventional markets, CBs has to consider their costing regime.

Nations policies, guidelines and by-laws governing organic farming in production; local market and international market

In general, there is no policy and law for organic; the production and market depend on EAOps; other related policy is ENVIRONMENTAL MANAGEMENT AND CO-ORDINATION ACT that elaborates issues of conserving and protection of the ecosystem.

Challenges in organic product markets & marketing

Limited volumes only available
Lack of appropriate policies
Availability of policies and regulations that have direct threat to organic production (introduction of GM) in the country;
Labelling being complicated in case of export. For instance some countries in EU need to have extra label in addition to EU label. Likewise for USA and Japan markets. This increases the costs of label production and designing

Barriers facing organic products marketing (local & export)

° Certification procedures
° Non tariff barriers to trade especially those related to food security
° Trade procedure involving several middlemen
° Low awareness by local consumers
° Very few organic outlets in the country

Comments on farming, marketing, and policies regarding organic farming in your area

Organic farming is still export oriented. Very few locals including the government know the value of organic agriculture is beneficial for increasing income of the farmers and the nation. The policy has not laid down initiatives support production of organic products

4.1.3 Uganda

Uganda has the largest area under organic farming in Africa. The summary of the study checklist topic findings is as presented in the table below

<table>
<thead>
<tr>
<th>Variable</th>
<th>Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of production</td>
<td>Uganda has the largest organic producers in East Africa. The main</td>
</tr>
<tr>
<td>Reason</td>
<td>Production is low from many producers thus cannot meet demand. Some organic produce come to Uganda from Tanzania</td>
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<td>---</td>
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</tr>
<tr>
<td>Volume of organic products formally traded per year</td>
<td>Like in Kenya and Tanzania the supply is not stable and seasonal’ at peak season at traded volumes goes up. However due to rainfall pattern in Uganda, variations are not highly pronounced as in Kenya and Tanzania. Over years the volume organic production has increased many fold.</td>
</tr>
<tr>
<td>Methods of trading including main outlets</td>
<td>Almost all produce is for export. Trading is done through recognized agents who sale to European, Japan or US market. Increasingly Uganda sells their organic produce to Kenya which later export back to Uganda or sale aboard. There are few outlets for organic produce although traceability of the produce for authenticity is reported to be difficult.</td>
</tr>
<tr>
<td>Challenges of marketing of organic products</td>
<td>Low volumes that are produced does attract external market Inconsistent supply in terms of quality; producers delays or reluctant to renew their certificated High costs of complying with packaging, labelling materials and procedures Lack of market information across the region; they depend on CBO to facilitate small producer access information through international exhibitions and trade fairs. Authenticity process due to lack of traceability of the produce Serious and difficult cross boarder procedures that limit export to Kenya, and Sudan</td>
</tr>
<tr>
<td>Value addition initiatives</td>
<td>Most of the operators conducted asserted that, at the farm level: sorting and grading. Most of the leafy vegetables are sold fresh at farm gate and kiosks. In Limuru, farmers were buying direct from the organic farm without being aware of the quality of the product as organic. While at processing, the product is changed its form, packaging and labelling. The costs of packaging materials and labelling is not in favour of these small volume producers</td>
</tr>
<tr>
<td>Key players in organic products trading what are their roles in your farming, processing marketing activities</td>
<td>Organic Movements: are coordinating, facilitating and providing leadership and professional services to the sector in Uganda. They provide good links to the markets though limited with resources Government: Reluctant to recognize the contribution of this sector. No policy have been set s a government directive to its development Government institutions: Very little research has been happening. The sector lacks appropriate inputs according to organic requirements. Resources to this players is also not enough</td>
</tr>
</tbody>
</table>
Civil society organisation: Plays a great role, yet lobbying with government needs more effort. Their capacity has to be raised time to time to cope with changes in rules and regulations of both government and organic certification bodies: Remained too many producers as resource consuming when attempting to comply with the requirements. Since in some cases the produces end at conventional markets, CBs has to consider their costing regime.

| Nations policies, guidelines and by-laws governing organic farming in production; local market and international market | In general, there is no policy and law for organic; the production and market depend on EAOPS; other related policy is ENVIRONMENTAL MANAGEMENT AND CO-ORDINATION ACT that elaborates issues of conserving and protection of the ecosystem. |
| Challenges in organic product markets & marketing | Limited volumes only available  
Lack of appropriate policies  
Availability of policies and regulations that have direct threat to organic production (introduction of GM) in the country;  
Labelling being complicated in case of export. For instance some countries in EU need to have extra label in addition to EU label. Likewise for USA and Japan markets. This increases the costs of label production and designing |
| Barriers facing organic products marketing (local & export) | Certification procedures  
Lack of reliable outlets  
Few in country outlets  
Lack of government supports |
| Comments on farming, marketing, and policies regarding organic farming in your area | Uganda has made good progress compared to Tanzania and Uganda. But is still on the receiving end when it comes to marketing of its produce. Serious support from the government is required at this end so that the country in general and resource poor farmers can benefit from premium price associated with organic production |
5 Review of policies, regulations and by-laws for organic agriculture in EA countries

5.1 Kenya

The following points were observed during the discussions with respondents:

- No policy that is explicitly organic in Kenya at the moment;
- It was noted that producers who intend to sell their produce through supermarkets have to bear the cost of promotion themselves;
- Limited access to information among the player on government policies governing border trades of different countries within the region;
- Costs of complying with the organic standards are high compared to size of the business. Kenya producers are guided by the East Africa organic standards that are evaluated by local CERTIFICATION BODIES –CBS for local and internal regional markets. For the same products to access the international market, they require another standard and certification, a process that is regarded as cumbersome and costly.

5.2 Tanzania

Tanzania policies acknowledge that agriculture is the backbone of the country economy. The importance of agriculture in Tanzania stems from the large number of people (70%) employed in agriculture and the role of agriculture in food security. Tanzania agriculture faces many challenges from policy, technical to environmental issues. The most common characteristics of small-scale farming are low yields, low input, and poor prices of agricultural crops relative to costs of labour and other inputs. As a result, small-scale agriculture leads to land degradation such as soil erosion and decline in soil fertility, and failure to eradicate poverty to small-scale farmers in rural areas. Organic agriculture being defined as a production system that relies on ecological processes, biodiversity and cycles that are best adopted to local conditions (Walaga, 2014), is viewed as a potential farming system to bring economic development to small scale farmers in Africa. The undisputable benefit of organic farming is on ecological and environmental benefits. Such benefits will be obtained through OA ability to restore soil fertility and productivity over time, mitigate climate change impact, and enhance agriculture resilience to climate change and ultimately reducing poverty for sustainable development. All these benefits can be realized in organic agriculture system with or without certification (Twarog, 2011). Thus, emphasis on production system that can restore the degraded land and sustain productivity warrants organic agriculture to deserve requires attention from the government in policies and their implementation. The analysis of Tanzania policies addressing organic agriculture with special emphasis in selected organic crops and products is presented:
5.2.1 National Agriculture Policy

The Tanzania National Agriculture Policy (NAP) has a statement on organic agriculture. According to URT (2013), the policy statement on organic agriculture came about after assuming that a significant number of farmers in small scale farming system are practicing organic agriculture because they use low and natural inputs, and manual land husbandry with no use of synthetic inputs. The policy further recognizes that such farmers and the crop they produce are not recognized as organic because of lack of certification; hence do not obtain full economic benefits of organic farming like premium prices. The policy also cautioned that the productivity in organic farming is usually low. To address those issues, the NAP offers a policy statement that “Registration and availability of organic inputs to farmers shall be facilitated, initiatives for regulations and certification of organic products shall be promoted, the government shall facilitate accreditation of organic products in order to reduce the certification costs, and in collaboration with the private sector, effective coordination among the stakeholders shall be enhanced” (URT, 2013).

It appears that the Tanzania NAP assumes that all organic agriculture system is necessarily low-inputs agriculture, and hence will lead to low yield. Similar concern and observation about the NAP statement that yields from organic farming are low was also expressed by TOAM. The policy overlooks the fact that if recommended organic inputs were used, can attain same yield as equivalent to industrial inputs. A good example is organic fertilizers to supply a certain level of nutrients equivalent to recommended nutrient rates. However, the statement on low accessibility of organic inputs among small-scale farmers is plausible. There are some evidences that organic resources such as organic fertilizers like well composted farm yard manure and poultry manure are limited in many areas of Tanzania (Mowo et al., 2004). In addition, manures have to be obtained from organically fed or grazed animal and poultry. Another challenge is availability of quality organic fertilizers with adequate levels of essential plant nutrients is low in small-scale environment. Recent study estimated that N requirement of 80 kg N/ha can be supplied by about 4.0 tons of poultry manure or 7.0 tons of cattle manure (Mlowe, 2009). It should also be noted that the current low yields among small-scale farmers is significantly contributed by land degradation due to low nutrients levels and soil organic matter in soils (Amuri, 2015). This extent of degradation cause low inputs to be insufficient to increase yields significantly.

Pest management practices using cultural practices (hand picking of insect pests, weeding by hand hoes, traps) and biological control is limited in terms of knowledge, but also high labour demand. The effectiveness of biological and manual pest control is also a challenge, which necessitate the use of organically accepted pesticides such as pyrethrum, which most often are more expensive than other synthetic pesticides. Thus, the policy needs to accommodate the fact that organic farming requires investment and assistance in not only certification service, but also technical skills to ensure high productivity.
Although TOAM acknowledges the Tanzania Government for including organic agriculture in the NAP, it still has an impression that the policy statement is not sufficient to fully support development of organic agriculture in the country. Productivity of any agricultural crop produced either organically or conventionally, is a function of the genetics of the crop variety and management of the crops specifically in soil fertility and pest management. If any of the system uses low inputs (fertilizers – whether organic or industrial), pest management (organic or conventional) along with poor management, the results will be poor yield. There are also few controversies in organic agriculture vs. science. Organic agriculture limit use of for example pure active ingredients of natural origin in pest control or use of processed natural mineral deposits like rock phosphate to enhance nutrient availability (EAS 456: 2007). For science-informed policy makers such requirements are against scientific and technological development as far as agriculture is concerned and its role to feed the growing population using available technology where relevant. Thus, the MAFSC, like in many countries, advocates a more comprehensive Good Agricultural Practices of FAO (GAP). However, taking into consideration the ecological and environmental benefits, the requirements for organic agriculture, and the special niche in the international market of organic produce, the policy has to give more attention to organic agriculture without de-emphasizing sustainable conventional agriculture.

5.2.2 Agricultural Marketing Policy (AMP)

The marketing of agricultural commodities is a paramount importance to ensure that agriculture improves livelihood of farmers and enable farmers to invest in sustainable practices for sustainable agricultural development. The AMP also acknowledge the risks associated with agriculture, and have a statement on risk management such as contract farming, insurance schemes, franchise, and warehouses to list few. On regional and international agricultural commodity marketing, the Tanzania AMP emphasizes on ensuring realization of benefits from special concessions and/or lesser obligations in market access, tariff and other areas through regional trade communities of which Tanzania is a member. East African Community (EAC) is among these regional trade organizations. Thus, the AMP statement ensure facilitation of negotiation and competitiveness of Tanzania producers in the regional market, protect producers from unfair regional trade, and promote transparent application and prediction of tariffs and harmonization of policies, rules and regulations of agricultural trade in the region (URT, 2008). The policy also recognizes the constraints in regional agricultural marketing as supply-side constraints, unfair competition despite measures taken by WTO and low ability to meet markets requirements, including sanitary and phytosanitary measures.

Most of the organic agriculture is business-oriented and private-driven operated by contract farming between the interested buyer and producer (UNEP-UNCTA, 2006). This nature of organic agriculture marketing characteristics requires special statement at policy and implementation level. The policy statement ensures fair trade and competitiveness and
facilitation of negotiation, which will also cover OA contract farming. Although the policy highlights the Tanzania Government role, responsibilities in promoting export of agricultural commodities to EAC region and beyond, it does not explicitly mention organic agriculture. As already stated OA is conducted in special contract arrangements where the two parties, producers and buyers agree. Although the MIT acknowledge the need for policy review and reported to have started the review, it still feel that as long as OA is agricultural based, then it can be fully accommodated in the AMP without necessarily having special statement on OA. In its position, the MIT institution TBS adoption of EAS 456: 2007 for OA is sufficient to give adequate support to the marketing of OA products. Seep

5.2.3 Organic agriculture standards and certification

To achieve certification, standards of organic farming and commodities are essential. In Tanzania, Tanzania Bureau of Standard (TBS) is mandated to develop standards. The TBS has adopted in total the East African Organic product Standard of East Africa Standard of 2007 i.e. EAS 456:2007. The East Africa organic standard is a harmonized standard for East Africa aimed at having one common organic standard for organic agriculture production suitable in East African conditions that once adhered to can be used for declarations of conformity in the marketplace and certification by certification bodies in the region (EAS 456: 2007). However, TBS do not provide certification nor its stamp of quality to organic commodities. Instead, TBS accredited Tan Cert to certify organic farmers and commodities adhered to EAS 456: 2007 standards. Tan Cert certifies organic commodities at a cost. Access to TBS and Tan Cert service may pose potential problem due to their location, as both are limited to Dar es Salaam with no regional offices. Both standard and certification institutions are financially constraints despite collecting fees for the service rendered.

5.2.4 Food security Act (1991) amended by Cereal and other product act (2009) (FSA)

Food security act of 1991 provide mechanisms for coordinating production of food crops, information on food security, and procedures to address food shortage. The act is also expected to facilitate the establishment of a Cereals and Other Produce Regulatory Authority to deal with regulation of international trade in food products. The directorate of Food Security of the MAFC enforces the act. Thus, the Cereal and food product amended food security act enabled the formation of new Cereal and other Produce Board, under the Crop Development Department at the MAFC. The board was mandated to carry commercial operations such as buying and selling cereals, importing and exporting cereals, processing cereals, and warehousing services, apart from research and extension services. The board also implements Cereal and Other Produce Regulatory Authority charged with setting standards from sustainable agronomic practices to processing and packaging of cereals and cereal products. The authority issues license to cereal trade and promote fair and competitive cereal trade.
While this act is a potential opportunity in organic agriculture, which has in place EAC acceptable standard, it may pose some barriers in implementation. The Act empower the Government Agency under the ministry to directly involve in business while at the same time charged with responsibilities of providing services to private sectors. Another barrier is on bureaucratic services, where this act is enforcing the Agricultural Marketing and trade policy that are under the MIT, but itself is enforced in the MAFC. This fragmentation of ministerial level acts and regulations for a particular policy was also noted by the MIT officials, which suggested a more policy coordination at ministry level. Although it is urged that there is no export ban policy, the Cereal and Other Produce acts mandate the Regulatory Authority to either issue or not issue export permit based on food security situation as per advice from Food security department of MAFC to Government.

5.2.5 Tanzania Trade policy

The Trade policy of Tanzania clearly stipulate on stimulating export led trade. The policy acknowledges the importance of agriculture in the economy and welfare of people. Thus in the regional and international trade dimensions, the policy stresses on realization of economic cooperation to achieve larger markets and increase trade flow. The regional and international trade facilitates emerging markets, united in forging bargaining power and trade liberalization. In so doing stimulating productivity and competitiveness through economies of scale and lower transactions costs (URT, 2003). One of the trade policy strategy is to increase agricultural exports especially non-traditional products, promote valued-adding especially on agricultural produce, and enhance investments in farming from both domestic and foreign entities to link domestic and international market.

The trade policy has considerable integration of agriculture in the trade to bring about vibrant economic development. The fact that the policy has strategy to increase export of non-traditional agriculture products, provide an avenue for organic product. The policy also advocate on promoting linkage of producers/small scale farmers and international market through promoting investment in farming. This is typically along what organic farming practices is in Tanzania, where producers are in contract farming with a domestic company with ready market as per demand from the international market. However, the trade policy does not stipulate organic agriculture as an opportunity to achieve competitive economy and export led trade.

The government officials have also pointed out on the lack of transparency in entering the organic agriculture market. As a result it does not see organic agriculture market to provide an avenue for majority of small-scale farmers in Tanzania. The government also pointed out on double standard in organic agriculture depending on the buyers requirement, such that organic product produced for UK market might not meet the requirements for Switzerland organic markets.
What is seen as strengthening certification organizations in Tanzania to have capacity to meet multiple standards can solve a double standard. The only certification agency entrusted by TBS is Tan Cert, which seems to be overwhelmed by the growing number of organic producers and companies. The accessibility of Tan Cert service is also a challenge to independent farmers groups or farmers practicing organic farming without contract with a private company, usually a foreign company or with ties in the foreign country. To cope with certification challenges, TOAM and its EA partners, KOAM and NOGAMU issue a tailor made organic mark which is issued to organic farmers who meet EAS 456:2007 for one stop organic market. However, the mark is not recognized in other countries while other buyers accept it but do not pay premium price

5.3 Uganda

In 2003, the Ministry for Agriculture, Animal Industry and Fisheries (MAAIF) created the organic policy development committee (CBTF, 2006). The work of the committee has been slow however and Uganda still lacks a policy on organic agriculture. There is also no mention of organic agriculture in the Uganda National Agriculture Policy (2013). Further than this, policy in Uganda is focused on supporting conventional farmers through input schemes. These schemes are not developed to be appropriate for organic farmers so, in effect; organic farmers are subsidizing their conventional counterparts (CBTF, 2006). It should also be noted that there is currently no organic market regulation in Uganda (UNEP, 2010).

The following is an analysis of the policies in Uganda which address organic agriculture:

5.3.1 National Agriculture Policy

The National Agriculture Policy of 2013 makes no direct mention of organic agriculture. Instead, the policy places a focus on input-intensive agriculture, with access to markets for inputs, as well as input subsidies, prioritized. Despite this, the policy makes reference to the “inadequate attention to natural resource sustainability” (MAIF, 2013) as one of the main challenges in agriculture in Uganda.

5.3.2 Uganda Export Promotion Board

The Uganda Export Promotion Board (UEPB) is a public agency set up by an Act of Parliament. The board has been a rare source of public sector support in the organic agriculture sub sector by assisting with and promoting trade fairs and trade missions.

5.3.3 Uganda Coffee Development Authority

An act of Parliament passed in 1991 established the Uganda Coffee Development Authority (UCDA). The role of the body is to promote and oversee the coffee industry in Uganda by supporting research, promoting production, ensuring the quality of the coffee and improving
the market. Ultimately, the UCDA was set up to optimize Uganda’s foreign exchange earnings and ensure the farmers are fairly paid. The UCDA recognizes the importance of organic agriculture and has a target to ensure 10% of the coffee produced in Uganda is organic certified. To this end, it hosted the IFOAM coffee conference in Uganda in 2004 (UNEP, 2010).

5.3.4 Draft Organic Agriculture Policy

In 2009, the Ugandan government released a draft organic agriculture policy. The policy outlines the objectives and strategy for supporting organic agriculture in the country. In July 2012 the Technical Planning Committee (TPM) approved the draft policy and recommended the development of an implementation strategy. It was envisioned that the Organic Agriculture policy would be mainstreamed in Uganda’s Development Strategy and Investment Plan but this did not come to fruition.
6 Key policy barriers to organic trade within the East African region

Trade within EA is supposed to be as smooth as possible due to presence of EAC and efforts to harmonize trade. The EAC agreed on reduced barriers, regulations, custom and tariffs, which among other benefits, will benefit trade. However, each member state has its own regulations and institutions that regulate the trade. In the past a lot of individual country regulations, standards differed from other countries and was a major barrier to trade. To date, harmonization and negotiations have improved and reduced some of the barriers. One of the barriers that has been overcome is common standard for east African organic standard

6.1 Kenya

In Kenya, there are many barriers to regional trade in organic produce. The following is an analysis of the policy barriers in Kenya that affect trade in organic produce:

6.1.1 Lack of Explicit Organic Policy framework

With no organic agriculture policy or organic agriculture plans in Kenya, there is a lack of policy framework to support actors in organic value chains. This restricts the sub-sector at every level, and makes it very difficult for organic exporters to operate. As a result, organic operators in Kenya find it very difficult to meet demand from other countries in the region.

6.1.2 Different national bureaus of standards

It has been identified that the different regional bureaus of standards for Kenya, Tanzania and Uganda do not recognize each other’s compliance certificates for processed goods. The result of this is that produce crossing borders is held up by multiple checks, with questions about authenticity, reliability and origin. This not only delays trade but also increases the costs of trade in the region.

6.1.3 Maize Export Ban

Maize is considered to be the most important food crop in Kenya. It is due to this status that maize export bans have been periodically imposed, to avoid the traders from exporting maize at times of deficit within the country. Tariffs have also been levied on maize imported into the country. The maize export bans have seriously compromised trade between Kenya and the East African region.
6.2 Tanzania

6.2.1 Technical Barriers

Technical barrier is also listed as one of NTB contributing about 18% to all NTB (TCCIA, undated). Having different standards for products and commodities or production system causes the major technical barrier. Fortunately in Tanzania, the organic standard used is East African organic product standard, and expected to minimize technical barrier in organic agriculture.

6.2.2 Non-tariff barriers

Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA), documented the extent of non-tariff barriers (NTB) in Tanzania. Transport, clearing and forwarding ranked first and accounts for 28% of NTB. This is because there is delays in clearing cross border goods, including agricultural commodities at the port resulting in significant wastage of time at the borders due to borders operating hours (TCCIA, undated).

The second NTB is Customs and Administrative procedure that were observed to be a barrier when there is no harmonization of regulations and or when there is conflicting regulations. An example cited in this report is rejection of certificate of origin and hence non-tariff benefits of food crop traded from Tanzania to Rwanda due to Tanzania food security act.

The food security act was issued at the same period as the certificate of origin and export permit of food crop by two ministries. The food security act restricted movement of food crops from where it is produced to other places within and outside the country, while the export permit allowed export of food crop to other EA countries under EAC harmonized trade regulations. The conflicting policies lead to unacceptance of waiver of tariffs and duties by the importing EAC country custom officials. The conflicting policies or implementing government institutions was also mentioned by the officials during this study.

The MAFSC also cited Customs as barrier to the MAFSC to perform its duties smoothly when it comes to sanitation and phytosanitary control. Lack of sanitary and phytosanitary service makes most traders and producers in Tanzania and the country in general to lose full benefit of export trade due to violation of regulations required in EAC cross border trade and end up selling the commodities in black market.

Another NTB is lack of policy and institution coordination and harmonization in Tanzania, which leads to costly and long procedures, lack of information on procedures, complex
variety of documentation required, and inadequate trade related infrastructure (TCCIA, undated). The FSA and NAP and phytosanitary is implemented in the MAFSC while agricultural marketing is implemented at MIT, and standards and certification is done by the TBS and TanCert. Thus, an exporter of organic products will have to pass through two ministries and two institutions, public and private, before exporting goods to other EA countries. Government agency direct involvement in Trade as mandated by the amended FSA poses possible problems contributing to lack of coordination and harmonization of policies and services provided in implementation of policies. Lack of transparency in the procedures of getting the required certifications and licenses is also a drawback to smooth regional trade (TCCIA, undated).

Results from this study also revealed that most of the organic agriculture capacity building program emphasize on the agronomic practices to producers. Capacity building in trade, marketing and especially EA trade is limited. There is insufficient knowledge about the business environment of organic farming among producers. Insufficient knowledge on contracts, market agreement could be the cause of non-compliancy to contracts cited by bioRe, even in presence of premium prices. Lack of companies, organizations, boards, or institutions with interest in contract farming in organic beans, banana, green gram, and sunflower was cited by producers as the major cause of lack of OA trade of these crops.

6.3 Uganda

6.3.1 Bureaucracy at the Border

Bureaucracy at the chain of command is leading to delays in boarder checks. This was particularly observed in the case of export from Uganda to Kenya. This bureaucracy is comprised of high quality thresholds, tedious documentation and open corruption. This leads to informal trade in many cases which is not an option for organic exporters, who rely on traceability and compliance with standards.

6.3.2 Lack of operational organic agriculture policy

The lack of a policy on organic agriculture means that operators have little guidance on how to enact trade in organic produce. It also means that nothing can be done about barriers that specifically affect organic operators. The lack of policy makes it difficult for organic farmers to engage in dialogue with government, as organic farmers are not recognized.

6.3.3 Inconsistent standards and quality

Similarly to the case of Kenya, trade from Uganda to the East Africa region is affected by the consequences of differing standards in each of the countries, leading to delays resulting from multiple border checks and increased costs of doing business. One particular example is trade in coffee. Uganda has a comparative advantage over Kenya in coffee production but
the high quality requirements for imports in Kenya mean that Ugandan coffee is often not accepted at the border.

6.3.4 Public Sector Concentration on Conventional Agriculture

A further barrier to trade in organic produce between Uganda and the rest of the region is the government focus on conventional agriculture. The key area of focus for agriculture policy and plans in Uganda is intensification of selected cash crops through the increased availability of fertilisers, agrochemicals and improved seed. This one sided promotion of conventional agriculture makes it very difficult for organic traders to remain competitive in the region.

6.3.5 Low Public Investment in Agriculture

A further barrier to regional trade in organic agriculture is the lack of financial support the government gives to the agriculture sector as a whole. Low investment has meant that the sector has grown at a slower rate than Uganda’s population (UBOS, 2014). Government spending on agriculture was estimated to be just 4.3% of the total budget in 2009/10 and is far below the 10% target set out in the Maputo Declaration (Mwesigwa, 2015).
7 Evidence of hardship caused by the barriers identified

7.1 Kenya

The national baseline study carried out as part of the OSOSEA project delved into the lives of four organic farmers in Kenya to develop case study evidence of the effects of policy on their livelihoods. The following are recurring trends identified by the four farmers and wider observations:

7.1.1 Production

Most of the farmers interviewed were in some way growers for Jungle Nuts, who produced organic macadamia using techniques taught by the company’s extension workers. The farmers were happy with the organic techniques they had learnt and the support from the company, although there seemed to be a lack of understanding as to their agreements with Jungle nut.

Producing organically has been beneficial for the farmers. Not only have they reduced their production costs, but they now also have more effective methods for producing, such as pest management. An example of this is the burning of leaves, as instructed by JN, which for some farmers has completely controlled the problem of the ruagwe pest which had been causing real problems.

One significant issue that was mentioned by most of the farmers interviewed was that despite growing their macadamia organically, they did not know about organic certification and therefore don’t stand to benefit from it.

7.1.2 Sales

On the whole, farmers are selling their nuts to brokers or to a company (e.g. Jungle Nuts) who process package and sell the nuts. Often brokers, who buy at the farm, organize the harvesting and collection for the farmer and the pass on the nuts to another broker who sells to the processor. In this way, the farmers do not see as much of the profit as they would like to. They sell the nuts in the shells and therefore are not profiting from any processing activities being carried out by the buyer. Farmers point out that they do still make some profit because the organic farming production means that production costs for growing macadamia each year are low.

Different buyers have different modes of payment and pay different prices. Brokers tend to compete of prices and but pay more than companies like Jungle Nuts, although these companies add bonuses at a later date which mean that they pay more. Different farmers choose different methods dependent on their needs. For instance, one farmer told of the day her child stood waiting for the broker to pay so that she could go to school with her fees.
There is little by the way of linkages between producers and final consumers. This is in part due to the long disjointed value chains that exist.

7.1.3 Policy

A recurring trend identified by Kenyan smallholder organic Macadamia growers is that there is little understanding of how government policy applies to their operations. It is generally believed that the government is supportive of organic macadamia production, particularly due to the revenue that it brings in to the country. This support, as the farmers understand, comes in the form of control over import and export as well as quality management. One farmer noted that it is difficult to draw a line between the role of policy and the role of various other stakeholders with an interest in organic macadamia. One farmer explained that she was aware that through the ministry of agriculture, the government was giving some guidance on farming, but she didn’t know what kind of guidance this was or how it applied to her organic macadamia farming.

7.2 Tanzania

The diverse agro ecological conditions of Tanzania provide wide opportunity for trading varied types of organically produced crops with comparative advantages. The Primary Society in Bukoba (Mweyanjale Primary Cooperative Society) reported that Bukoba has comparative advantage in organic banana production, along with organic coffee. The estimated banana yield from Bukoba stands at 65 t/ha. However, banana is not sold as organic because it is not certified as organic but sold as uncertified organic banana to Uganda in black market. Therefore, producers in Kagera are confident that if tariffs and other barriers due to restrictions of selling food crops to Uganda are removed, banana producers will benefit a lot. This is because producers and the country in general are losing a lot of revenue due to banana smuggling to Uganda. Other organically produced crops that are sold as uncertified organic crops are beans and cassava. According to producers, lack of organic market to provide premium price to banana, beans and cassava is due to absence of an organization of board to promote marketing of these crops as organic produces.

In Meatu Simiyu organic farmers grow sunflower and green gram organically along with organic cotton. While organic cotton is sold as certified organic crop through bioRe, sunflower and green gram are sold as uncertified organic crop. According to the farmers group, these other crops are not sold as organic crops because of lack of interest of the bioRe to buy those crops as organic crops. The farmers’ group also has a sunflower oil-milling machine purchased by bioRe Foundations in form of soft loan. The oil processed is not sold as organic product because they cannot separate organically grown sunflower from conventionally grown sunflower when milling the oil. The farmers group does not have any labelling and packaging to warrant application and securing certificate of origin. However,
these farmers sell sunflower, sunflower oil and organic sunflower residues to traders from Kenya who buys those products at farm gate.

With regards to imports, all interviewed parties showed no interest in imports of organic crops from Kenya and Uganda.

Selling of uncertified organic sunflower seeds to importers from other EA countries at Tanzania farm gate is not as beneficial as selling processed sunflower oil. Although there is significant production of sunflower in Tanzania, the country is still a net importer of crude vegetable oil from Malaysia and Indonesia (RLDC, 2008). It was also suggested that low sunflower oil production to meet the demand might be due to export of unprocessed sunflower (RLDC, 2008). Thus, it is anticipated that much loss will be gained in cross border trade of unprocessed organic sunflower compared to organic sunflower oil.

The other difficulty is accessibility and knowledge on value addition to organic crops to organic products. The technical requirement for specified quality, packaging and labelling was evident in Mkombozri farmers group of Nhoboko village sunflower oil milling machine. The farmers group do not have mechanisms for sorting organic vs. non-organic sunflower, neither do they pack and label the processed sunflower oil. The milling machine does not have any capacity to follow standards required for certification and relied on support by the local government to facilitate the process for them.

It appears that even primary societies have limited knowledge about trade and marketing. The leaders of the farmers groups or primary society relied on either the crop board for coffee and bioRe to search for the market and price information. The incidence of non-conformity to selling agreement was also reported in Kagera and Meatu for coffee and cotton, respectively. The organic farmers are supposed to sell organic crop to primary societies or organizations that provide them with supporting services such as training on organic production, extension services, supply of inputs, certification, and/or supply of organic inputs. The common practice is for these organizations to register farmers every season. However, some organic farmers following all the organic farming practices and receiving support from these organization end up selling their organic products to other buyers and sometimes as uncertified organic crops. This problem of non-compliance and drop out was also reported by UNEP-UNCTA-MAFS (2006), calling for systematic study to reveal the reasons for non-compliance even in presence of premium prices.

Informal NTB are also reported to operate among EAC countries due to lack of transparency in implementing EAC agreements. Although the policies are clear on no or reduced tariffs, complaints on barriers to trade of goods from Tanzania to other EAC countries has been received in the MIT. Such complaints include long procedure in obtaining license to sell commodities from Tanzania. This situation leads to encouragement of unregulated trade
from Tanzania that is sold in other EAC countries without certificate of origin to as to avoid inconveniences of selling products from Tanzania.

7.3 Uganda

Organic farming has the potential to greatly contribute to the economic growth of Uganda through organic crop intensification. This implies using yield-augmenting inputs such as organic fertilizers, organic pesticides, herbicides, etc. to boost farm productivity in order to improve food security or farm incomes. Improving the livelihoods of organic farmers means that there must be enhanced organic agricultural productivity, which should lead to improved food security and farm income enhancement. Without farm yield-augmentation, good and reliable markets, organic smallholder farmers are likely to remain in poverty traps just like those who grow traditional crops. There are hardships that organic farmers may face in general due to these policy barriers. These include but not restricted to the following below:

7.3.1 Lack of access to organic inputs/technologies:

The lack of a National Organic Agriculture Policy synchronized with government seed and fertiliser policies means that farmers struggle to get hold of imported organic fertilisers at affordable prices. The lack of a policy framework to support farmers unions to lobby for this effectively makes the farmers powerless to lobby for change to this. The national policy study in Uganda identified the issue that organic farmers could not get hold of improved seeds and planting materials as they were not available on the market. This creates a market for counterfeit seeds, which have low rates of germination and greater susceptibility to pests and disease.

Policy barriers also mean that organic farmers cannot get tax exemptions or reductions on the cost of the organic inputs, which might be imported. The result of all of this is that farmers cannot fully utilize the potential of organic farming and are restricted to only using the more labour intensive aspects.

The lack of access to these effective organic technologies has also led to a higher disease and pest burden, as organic farmers cannot afford inputs which control pests whilst complying with their certification.

7.3.2 Costly Certification:

The absence of any policy framework for organic production means that it is very difficult to organize value chain strategies for organic commodities. Organic certification is particularly expensive in Uganda due to the lack of an organic farming and marketing policy in the country. Without organic certification, farmers shouldn’t label their produce as organic and
it is impossible to reach organic markets elsewhere in the region, as they only demand certified produce. A large consumer base is existent in Kenya, but the premium prices they are willing to pay are not accessible to farmers without certification.

7.3.3 **Lack of infrastructure:**

For effective cross border trade in organic produce, there must be efficient infrastructure in place. The lack of such infrastructure in Uganda means acts as a bottleneck to trade, particularly in perishable products. Organic farmers need cold storage facilities and refrigerated trucks in order to maintain the quality of produce that is so highly demanded by consumers of organic produce. This problem is exacerbated by the delays at border posts resulting from bureaucracy. Meanwhile, freight charges in Uganda are still relatively high when compared to the rest of the region.
8 Identified opportunities in the policy environment for regional trade in organic products and the development of Ecological Organic Agriculture (EOA)

Despite the lack of policy explicitly supporting organic agriculture there are still plenty of opportunities within the policy environment for regional trade in organic products. The East African Organic Products Standard (EAOPS) is a prime example of this. The standard is only the second regional standard to be developed worldwide (second only to the EU Standard). It provides an opportunity to trade between East African nations in organic products certified to regional standards at lower costs and more adapted to the regional environment. If promoted, the standard could be a catalyst to the development of the East African nations into a hub for organic production and trade. The following is an analysis of specific opportunities for trade in organic produce between the three countries in the region:

8.1 Kenya

One striking opportunity in Kenya is for the government to make organic production the standard for Macadamia producers. It has been identified that most macadamia in Kenya is grown without the use of chemical inputs. While not holding formal organic certification, this means that macadamia growers would have few adjustments to make in order to shift to organic production by certifiable standards. If the government were to set organic production as the standard for macadamia growers then the country would an exporter of organic macadamia, a significant source of demand and revenue. This could then be easily rolled out in areas where the government is planning on introducing macadamia farming.

8.2 Tanzania

The presence of a vast quantity of organic certified land, used for producing organic cash crops like cotton and coffee throws up a significant opportunity for up scaling organic production. As it is the land which is certified, farmers groups should be encouraged to add more crops to the certificate. Currently, most organic growers intercrop food crops amongst their organic cash crop, but sell them as conventional crops in local markets without differentiation. The market for these additional crops like banana, green grams and sunflower is available in Kenya and Uganda, as evident by the smuggling of these crops across the border and/or purchase of these crops at farm gates by importers from Kenya.

8.3 Uganda
One opportunity identified in Uganda is the development of value added activities. If government policy were more supportive of value chain development geared toward development of organic raw materials, Ugandan exporters would be much more competitive in the region.

It has been identified that coffee produced in Uganda has high comparative advantage over Kenya. This represents an opportunity. An obstacle to this opportunity being realized is that standards in Kenya are very strict (much stricter than those in Uganda) which creates a bottleneck for export to the country.
Key recommendations to improve trade of organic produce in the region:

• **Develop an organic agriculture policy in each of the three East African nations.** An organic agriculture policy would mean that the government recognizes organic farmers. It will provide support and guidelines to all operators in organic value chains. These policies should be coherent with the nations’ general agriculture policies in order to create the potential for organic agriculture to become mainstream;

• **Address the bureaucracy currently holding up trade at the borders and increasing the costs of doing business**, with particularly severe consequences for organic traders. Conventional traders often avoid this bottleneck by pushing produce across borders by informal means. This is not an option for organic operators who are therefore disproportionately affected by the bureaucracy. Organic certified produce should be fast tracked at the border, as it comes with a certificate guaranteeing quality and traceability;

• **Promote organic trade initiatives in each country.** Traders should be encouraged to work together so as to jointly market and promote their products. Follow the example of Uganda, where public bodies offer support to organic traders through trade missions and exhibitions;

• **Focus on up scaling the production of highly demanded crops**, such as bananas, green gram and beans in Tanzania, Macadamia in Kenya and coffee in Uganda to meet regional demand. This may be done by improving the availability of inputs such as seeds for organic production or creating agreements within the region to trade in crops for which a country holds comparative advantage may facilitate this.

• **The environmental benefits should be better understood** so that producers don’t only consider the financial benefits of growing organically. If growers and consumers were aware of the environmental and health benefits of organically produced food then this would hugely promote the sector. It is the responsibility of national and regional powers to create awareness across East Africa.

• **More effort is needed in the promotion of the East Africa Organic Mark** within the region. The mark provides organic operators with the opportunity to grow and trade produce considered organic to regionally adapted standards.

• **Harmonize or establish an accredited EAC Certification Body.** A Certification Body that will be adopted by all countries in the region by using same inspection and
certification protocols, to cut down costs of accreditation to locally available CBs. Alternatively there should be established accreditation body for CBs by EAC; ref India government CB.

• **Kenya and Tanzania should learn lessons from Uganda**, where public institutions (such as the Coffee Development Authority) are promoting the organic sector in the absence of direct government policy support.
10 Conclusions: insights into the findings

This report has brought forward many significant findings. The following is a summary of the main findings with the development of relevant insights.

10.1 Policy Environment

One finding of particular relevance is that the policy framework in the region is severely lacking. None of the three nations currently has an organic agriculture policy and only Tanzania makes mention to organic agriculture in the National Agriculture Policy Document. This means that it is very difficult to mainstream organic agriculture in the region and there is little structural support for operators wishing to capitalise on opportunities for trade in organic.

Of the three countries, Tanzania has the most formal support for organic operators by way of policy. This is due to the explicit mention made to organic agriculture in the country’s National Agriculture Policy (2013). It is worth noting however, that policy statements on organic agriculture will be meaningless if not pushed forwards into the country’s agriculture sector development plans. Uganda has also made small steps towards policy support for organic growers and traders, through support shown by public authorities such as the Coffee Development Authority. Movements to develop a draft organic agriculture policy in the country are also promising but developments appear to have stalled. In Kenya, there is very little by way state support for organic agriculture. This perhaps goes some way to explaining why Uganda and Tanzania are leading the organic sector in Africa whilst Kenya is lagging behind in the statistics (IFOAM, 2015).

10.2 Barriers

Several policy barriers to regional trade in organic produce have been discovered as a result of this study. The primary barrier to regional trade in the sector is the lack of organic policy in any of the countries. This results in poor coordination of the sector and neglect for the sector’s stakeholders. Where there is an absence of policy, there is an absence of formal state support, which is holding back the sector.

Another barrier is the current high level of bureaucracy at border posts. This is particularly debilitating for organic traders. The disproportionate level of checks, quality assessments and the like causes long delays and increases the cost of doing business for traders. Many exports of conventional farm produce maintain their business and trade links by using informal means. Organic operators however must adhere to the rules of the bureaucrats and are hit the hardest. It is also work pointing out that organic produce is more closely linked to improved quality than conventional. Customers demanding organic are expecting high quality produce, so any damage done during the delay at birders, and extensive testing is
more consequential for organic producers. Another comment here is that organic traders are dealing with food that is already certified for quality and traceability.

The lack of consistency in quality requirements at borders also forms a barrier to regional trade in organic produce. Organic operators cannot rely on their national quality standards being adequate in other nations in the region. This scenario has materialized in coffee trade between Uganda and Kenya, where Ugandan operators have comparative advantage but their produce, although accepted in Uganda, does not meet Kenyan standards.

10.3 Opportunities

Particular opportunities exist for trade in organic produce between the three countries. One salient example is the huge quantities of organic food crops that qualify for certification but have not yet been added to certificates. Organic operators in each nation should cooperate with each other to identify which products need to be imported/ exported (through comparative advantage) and then they should add these products to organic certificates, at low cost. This would be a quick win, but could potentially lead to an enormous increase in organic trade between the three countries, adding significantly to the regional economy without the need for investment in land or inputs. A particularly salient opportunity exists for Macadamia in Kenya. If the country’s macadamia producers can push for organic certification across the board, through the standardisation of organic macadamia, then they would find greater demand from within the region and internationally.

The Kilimohai Mark is also an undervalued asset in the region. As only the second regional standard developed worldwide, the mark should make regional trade much smoother. For instance, traders in organic produce that holds the kilimohai mark should not face mandatory quality and traceability tests at border posts, as the stamp itself is a sign of quality and traceability.
11 Recommendations (based on evidence and insights)

- Strengthen the institutional capacity of the organic movements to lead and coordinate all actors in the sector,
- Direct interventions to bottlenecks of entire value chains (Value chain approach), with focus to both the export and local/regional markets.
- Strategic focus on research into organic friendly technologies and solutions
- Speedy improvement of the policy environment to support further growth in organic production and trade.
- Remove border post bureaucracy for organic produce by accepting the Kilimohai mark as a stamp of quality rather than imposing mandatory quality tests.
- Harmonise quality requirements in each of the nations
12 References


Hole D.G. et al., March (2005). Does organic farming benefit biodiversity? Biological Conservation vol. 122, is. 1, p. 113-130;


ANNEX 1: List of individuals interviewed and of stakeholder groups and/or communities consulted

13.1 Kenya

1 MARTIN N ND ERIFU; Limuru Archdiocesan Farm; +254727976824 – (producer & seller)
2 KAWAMWAKI LIMITED Cont: Anne Nthenya Maweu +254723416032
   info@kawamwaki.com (Producer and seller)
3 Organic Agriculture Centre of Kenya +254735427846 (Trainer)
4 John Wanjau Njoroge Kenya Institute of Organic Farming (Producer & Trainer)
5 Pure Healthy +254722514460 (Producer)
6 Juanco Sps Limited +254722207805 ((Input trader)
7 Dr Peter Mokaya +254722435 (Producer)
8 Lillian Kanani; Kilomoni Green; +254203884802 / +254722509829 (Producer & trader)
9 Prof Raphael Wahome; Progrov,+254722244620 (Policy marker & Producer)
10 Organic Foods, +254715540400 (Producer, trader & importer from Uganda)
11 Cabesi Self Help Group, P.O Box 342-30600, Kapenguria: Kenya, Tel: 0720 215 546
   (Operator – group of producers)
12 Anne Mbugua, Bridges Organic Health Restaurant; +254722424125 (Trader)

13.2 Tanzania

1. Mr. Nyalulu. Chairperson, Mkombozi farmers group, Nhoboko village, Meatu, Simiyu, Tanzania
3. Mr. Said Mpombo. Crop Promotion Services and Marketing Unit, MAFC, Dar Es Salaam
4. Mrs Rose Ndomba. Agricultural Officer II. Plant quaranteen and Phytosanitary section; Plant Health. MAFC
5. Mr. Alfred Mapunda. Assistant Director, Policy and Research, Ministry of Industry and Trade, Dar Es Salaam, Tanzania
6. Mr. Niranjan Pattni, Managing Director, bioRe Tanzania Limited. Mwamishali, Meatu district, Simiyu, Tanzania
7. Mr. M. Missanga, TBS, Dar Es Salaam, Tanzania
8. Mr. Elizeus Selestine, Mweyanjale Primary Cooperative Society, Kagera, Tanzania
9. Mr. Sadick Muganyizi: Individual farmer and member of Mwayanjale Primary Society, Kagera, Tanzania
10. Mr. Gelead Teri. ANSAF, Mikocheni, Dar Es Salaam, Tanzania
11. Prof. Delphina Mamiro, Department of Crop Science, Sokoine University of Agriculture
12. Prof. Method Kilasara, Department of Soil Science, Sokoine University of Agriculture
13. Michael Farrelly, TOAM, Tanzania
13.3 Uganda

1. Kamusiime Arthur; Kigarama Matooke Growers Union-Busheyi district, Tel: +256(0)774610530/0703447919

2. Nuwagaba John, Ankole coffee producers union -Mbarara district, Tel: +256(0)772461876/ 485442010

3. Kimanai Robert, Gumutindo coffee cooperative enterprise Ltd -Mbale district, Tel: +256(0)772437277/0704291077

4. Samsom Musimbi CARD Uganda & Agribusiness Development Solutions (soya beans, simsim rice etc) -Mbale district Tel: +256(0)757280017/0773241983

5. Dr. Christopher Kyeswa Africa 2000 Network Uganda -dry pineapples, dry mangoes etc. in Iganga district, Tel: +256(0)772566857/0700199660
14 ANNEX 2: List of supporting documentation reviewed


2. Improved traceability can enhance trust among organic farmers and traders A survey of the organic fresh produce chain in Nairobi concludes that perception to traceability, documentation, certification, training and monitoring can improve trust among the producers and the traders of the organic sector. By Josaphat Njenga Gichure, Food safety consultant

3. Organic farming collaboration is growing in East Africa The international project ProGrOV has created a platform where researchers and organic movements in East Africa are sharing knowledge and experiences in order to develop the organic farming sector. By Esther Waweru


6. Organic agriculture and certification in Eastern Africa: A theoretical analysis with special reference to food security issues in Tanzania Christoph Rosinger


8. How Governments can Regulate Imports of Organic Products Based on the Concepts of Harmonization and Equivalence IFOMA Policy brief
15 ANNEX 3: Research questionnaire, interview guide

Country........................................................................................................

Region........................................................................................................

District/county...........................................................................................

Village/town ..............................................................................................

1. Main organic products produced and brief history
   i. ........................................ History....................................................................
   ii. ........................................ History .................................................................
   iii. ........................................ History .................................................................
   iv. ........................................ History .................................................................
   v. ........................................ History .................................................................
   vi. .......... .................................................................................................
   vii. .......... .................................................................................................
   viii. ........... .................................................................................................

2. Locations of production

3. Volume of production

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<th>2013/14</th>
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<td>Area(ha)</td>
<td>Yield</td>
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4. Volume of organic products formally traded per year

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<th>2013/14</th>
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5. Methods of trading including main outlets (local and export)
6. Quality traded including value addition

7. Key players in organic products trading what are their roles in your farming, marketing activities

<table>
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<th>Key player</th>
<th>Key roles</th>
<th>Your comments on their activities wrt to your key activities on organic farming</th>
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<td>Government institutions</td>
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<td>Civil society organisations</td>
<td>Organising farmers for production, fund raising, lobbying and advocacy</td>
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<td>Organic movements</td>
<td>Lobbying with government &amp; uniting organic stakeholder for common voice &amp; advocacy</td>
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<td>Certification bodies</td>
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<td>Development partners</td>
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8. Nations policies, guidelines and by-laws related to organic farming
   i. Production
   ii. Local marketing
   iii. International marketing

9. Challenges in organic product markets & marketing
   i. Procedure of production for markets
   ii. Procedure for local marketing
   iii. Procedure for international marketing
   iv. Village produce market
   v. District/county market
   vi. Regional market

10. Barriers facing organic products marketing (local & export)
    a. Local standards for organic products
    b. International standards for organic products
    c. Variations in Standard btw local & international