



Navigating the New Green Trade Barrier: The Imperative for Harmonised Standards in Africa

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Introduction

Global trade is evolving as sustainability concerns increasingly influence market access requirements. For Africa, this shift presents both opportunities and challenges. Micro, small, and medium-sized enterprises (MSMEs)—which form the backbone of African economies—face growing pressure from a proliferation of sustainability standards.

While such standards can promote sustainable development and market integration, their diversity can also operate as **non-tariff barriers to trade**, disproportionately affecting MSMEs.

This paper examines green trade and sustainability standards, focusing on how fragmentation creates trade barriers in the agricultural sector. It evaluates Eco-Mark Africa (EMA) as a partial solution, highlights the limitations of harmonisation alone, and argues for a combined approach incorporating mutual recognition agreements (MRAs) and capacity building.

Defining Green Trade and Sustainability Standards

Green trade refers to the exchange of goods and services that meet environmental sustainability criteria, including environmentally friendly production processes, goods with environmental benefits, and technologies that reduce or monitor environmental harm.¹

Sustainability standards define requirements relating to product composition or production processes to certify compliance with environmental or social criteria.² These standards may be voluntary or mandatory and are developed by governments, international organisations, or private actors.³

Voluntary sustainability standards (VSS), such as Rainforest Alliance certification, are privately developed and not legally binding. Mandatory standards, by contrast, are government-enforced regulations governing product characteristics and conformity procedures.⁴

VSS and mandatory regulations may complement each other. While mandatory standards determine legal market access, VSS can significantly influence commercial outcomes by shaping buyer preferences and market expectations.⁵ However, the cost and administrative burden of compliance can disproportionately affect MSMEs.⁶

How Fragmentation Creates Trade Barriers



Fragmentation refers to the proliferation of differing standards, certification systems, and conformity assessment procedures across jurisdictions.

Impact on African MSMEs

MSMEs account for approximately 80% of businesses in Africa, employ 60–70% of the workforce, and contribute up to 50% of GDP.⁷ Despite this, they face significant barriers, including:

- High compliance costs
- Limited technical expertise
- Restricted access to finance

These constraints often result in exclusion from export markets.⁸

Case Study: Kenya's Tea and Coffee Producers

Kenyan exporters must often comply simultaneously with:

- Rainforest Alliance certification
- EU Deforestation Regulation (EUDR) requirements

The EUDR requires products to be deforestation-free, legally produced, and fully traceable, requiring advanced data systems and geolocation mapping.⁹

These requirements impose substantial costs and technical burdens, especially on smallholder farmers. In 2025, Kenya suspended Rainforest Alliance certification for tea due to concerns over compliance costs and the financial burden on farmers.¹⁰

Consequences of non-compliance include:

- Loss of access to premium markets
- Exclusion from buyer supply chains
- Potential shipment rejection

Intra-African Trade Barriers

Fragmentation also affects regional trade. For example:

- Ugandan maize may be rejected in Kenya due to aflatoxin standards

- Tanzanian textiles face repeated conformity assessments in Nigeria

These barriers increase costs and disproportionately affect MSMEs.¹¹

Eco-Mark Africa (EMA): A Regional Approach

Eco-Mark Africa (EMA), developed by the African Organisation for Standardisation (ARSO), is the continent's first ecolabelling system.

Key Features

- Four-tier certification system (Bronze to Platinum)
- Gradual compliance pathways for MSMEs
- Coverage across multiple sectors
- Alignment with international standards (ISO/IEC 17065)

EMA demonstrates that **African-led standards can achieve international credibility while addressing local realities.**¹²

Limitations of Harmonisation

Harmonisation seeks to align standards across countries to reduce duplication and facilitate trade. However, it faces several challenges:

- Concerns over regulatory sovereignty
- Limited infrastructure for testing and certification
- Low awareness among MSMEs
- Absence of mutual recognition mechanisms

Uniform standards may also fail to reflect local production conditions.

Mutual Recognition Agreements (MRAs)

MRAs allow countries to accept each other's conformity assessments, reducing duplication and costs.¹³

Benefits

- Lower compliance costs



- Faster market access
- Strengthened institutional trust

Challenges

- Technical capacity gaps
- Regulatory divergence concerns
- Limited scope and enforcement

The African Accreditation Cooperation (AFRAC) plays a key role in facilitating MRAs.¹⁴

The AfCFTA Framework

The AfCFTA provides a legal framework for addressing standard-related barriers through:

- Annex 6 (Technical Barriers to Trade)
- Annex 7 (Sanitary and Phytosanitary Measures)
- Annex 8 (Trade Facilitation)

Together, these instruments aim to transform standards into tools for trade facilitation and regional integration.

Beyond Standards: Structural Constraints

Standards reform alone is insufficient. Many African economies remain dependent on raw material exports. Complementary measures are needed, including:

- Industrial policy
- Infrastructure investment
- Demand stimulation for processed goods



Recommendations

1. Strengthen Research–Policy Linkages

Establish coordination platforms between researchers, policymakers, and standards bodies to inform real-time decision-making.

2. Dual Capacity Building

Invest in both:

- Testing and certification infrastructure
- MSME training and digital literacy

3. Expand Targeted Financing

Develop financial instruments such as:

- Credit guarantee schemes
- Concessional finance
- Certification support programmes

These measures can help transform compliance into an **investment opportunity** rather than a barrier.

Conclusion

The proliferation of sustainability standards presents both challenges and opportunities for Africa. While fragmentation creates trade barriers, well-designed standards can enable integration and sustainable development.

Eco-Mark Africa offers a promising regional model. However, harmonisation alone is insufficient. A combined approach—incorporating MRAs, infrastructure investment, and MSME support—is essential.

With sustained political will and coordinated implementation, standards can become powerful tools for **inclusive growth, regional value chain development, and global competitiveness**.

Footnotes

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4. *ibid 74–75.*
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6. *International Institute for Sustainable Development, Voluntary Sustainability Standards in East Africa (2025).*
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