

INVISIBLE BARRIERS TO TRADE

United Republic of Tanzania: Business perspectives



United Republic of Tanzania: Invisible barriers to trade

Business perspectives

About the paper

More than a third of Tanzanian companies have fully or partially resolved trade obstacles in the last six years. Government-led initiatives and regulatory reforms have helped ease exporters' difficulties.

This second ITC survey in the United Republic of Tanzania also finds that 72% of exporters – especially those exporting agricultural commodities – still struggle to comply with domestic and foreign trade-related regulations and procedures. These measures undermine exporters' competitiveness and ability to access international markets.

The report suggests that establishing a single window to meet export-related requirements and improving international recognition of conformity assessments are vital to develop Tanzanian exports.

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For more information on NTM surveys, see www.ntmsurvey.org

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Foreword

The 2030 Sustainable Development Goals explicitly recognize international trade as an engine for inclusive economic growth, job creation and poverty reduction, and contributing to the promotion of sustainable development.

For the United Republic of Tanzania, international trade can also be a key driver of economic growth. The country has the potential to increase its exports by \$2 billion in 2024, according to the International Trade Centre (ITC). However, \$688 million of this untapped potential are in jeopardy due to market frictions such as and related non-tariff measures (NTMs). This is particularly true for small companies aiming to reach international markets. Clearly, better understanding of these trade constraints is crucial to develop appropriate trade policies.

Under the auspices of the European Union–East African Community Market Access Upgrade Programme, ITC is pleased to have worked with national authorities in the United Republic of Tanzania on this exercise to assess the country's trade barriers. This report relies on a large-scale business survey of Tanzanian exporters and importers. It identifies the most challenging non-tariff measures that these firms face. It gives policymakers evidence-based guidelines to tackle trade obstacles, reduce costs and boost competitiveness.

This is the first time ITC has implemented the NTM Business Survey twice in the same country. For us, it represents a unique opportunity to assess how business experiences have evolved over time and to document reforms the Government has made to facilitate trade.

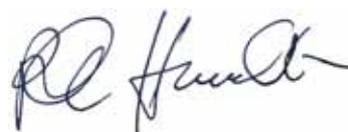
I am pleased to see the various regulatory improvements initiated by the Government through its Blueprint for Regulatory Reforms. I am also glad that these reforms incorporate some of the recommendations ITC provided after the first NTM Business Survey in 2014. It is very encouraging that the business community positively perceives these efforts – particularly those in the domain of e-procedures.

Tanzanian authorities have a major role to play to support local traders. Survey results reveal that more than 70% of exporters in the United Republic of Tanzania still face difficulties with restrictive regulations or related trade obstacles. Non-tariff measures especially affect agricultural exporters.

We believe market access begins at home. As such, ITC stands ready to assist the Tanzanian Government to prioritize trade facilitation and sector value chain development to help micro, small and medium-sized enterprises achieve export success.

ITC remains committed to helping Tanzanian small businesses participate fully in regional and international value chains with products and services that meet market requirements.

I hope this report will help forge a roadmap that leads to more inclusive and competitive trade policy.



Pamela Coke-Hamilton
Executive Director
International Trade Centre

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Contents

Foreword	iii
Acknowledgements	iv
Acronyms	viii
Executive summary	ix
CHAPTER 1 THE COMPANY PERSPECTIVE	1
Non-tariff measures hinder most exporters	2
Cross-cutting issues for exporters	6
Technical measures concern firms in all sectors	6
Issues with rules of origin and certificates of origin	7
Domestic regulations are a major obstacle	8
Despite preferential access, exporting to the EAC is challenging	8
Top hurdle: The procedures, not the regulations	9
Agricultural export challenges	11
Avocado	14
Coffee	18
Tea	21
Spices	23
Horticulture	25
Other agricultural products	26
Manufacturing export challenges	28
Importers struggle with charges, taxes and price controls	31
CHAPTER 2 PUBLIC SECTOR AND BUSINESS ASSOCIATION INSIGHTS	34
Perspectives of public agencies	34
Understanding and resolving the concerns of traders	34
Public agencies have their own constraints	39
Impact of COVID-19 on public institutions	39
Perspectives of private sector business associations	40
Moving in the right direction	40
Business associations echo the concerns of companies	40
Relevant information must be made available	41
CHAPTER 3 THE PATH TOWARDS REGULATORY REFORM	42
Changes in company perspectives in 2014–2020	42
Recommendations in 2014	45

Government takes steps to support traders	47
Blueprint to create an enabling business environment	47
Regional commitments to facilitate cross-border trade	49
Targeted reforms	50
Regulatory reforms are in line with ITC recommendations	51
Company perspectives on the regulatory reforms	52
How have traders overcome NTM-related barriers?	53
CHAPTER 4 RECOMMENDATIONS	55
APPENDICES	60
Understanding non-tariff measures	60
A business survey on non-tariff measures	61
Tanzanian economy: the big picture	62
Profile of surveyed companies	66
Appendix I Non-tariff measures surveys: Global methodology	70
Appendix II Non-tariff measures classification	74
Appendix III Procedural obstacles	76
Appendix IV Abolished fees on agriculture, fisheries and livestock licences and permits	77
Appendix V Abolished fees and permits from other sectors	79
Appendix VI Tanzanian laboratories for food testing	80
Appendix VII Products included in the priority sectors	81
Appendix VIII List of public agencies and private sector business associations interviewed	83
Appendix IX Agenda of the stakeholder consultation	84
References	86
ITC series on non-tariff measures	87

Tables and figures

Table 1	Non-tariff measures affect both exports and imports	3
Table 2	Why do regulations encumber agricultural exporters?	12
Table 3	Most certifying bodies for GLOBALG.A.P. in EAC are in Kenya	15
Table 4	Which non-tariff measures are onerous and why?	30
Table 5	What are agencies doing to support exporters?	37
Table 6	Key government reforms to facilitate cross-border trade	52
Figure 1	Most interviewed companies are exporters	2
Figure 2	Asia and Europe impose most of the tough regulations	5
Figure 3	Difficulties with European rules are high compared to import share	5
Figure 4	Technical measures and export-related rules are top barriers	6
Figure 5	Need for export permits cited as most taxing domestic issue	8
Figure 6	Technical measures hamper exports to East African Community	9
Figure 7	Procedures make compliance difficult for Tanzanian exporters	10
Figure 8	Domestic procedures are the most common obstacle	10
Figure 9	Fresh and processed food exporters face similar challenges	11
Figure 10	Firms face most difficulties exporting agrifoods to Europe	13
Figure 11	Certification and packaging conditions hinder avocado exporters	14
Figure 12	Obtaining GLOBALG.A.P. certification takes time and money	16
Figure 13	Export permits are the top challenge for coffee exporters	18
Figure 14	Tea exporters struggle the most with certifications	21
Figure 15	Spice certification and testing is troublesome for exporters	23
Figure 16	Export certifications and permits hinder horticulture exporters	25
Figure 17	Non-tariff barriers also restrict exporters of other agrifoods	26
Figure 18	Largest share of troublesome manufacturing rules are African	28
Figure 19	Charges, taxes and price controls are the top obstacles	31
Figure 20	Procedural obstacles are the main hurdle for importers	32
Figure 21	Domestic delays and high fees obstruct Tanzanian importers	32
Figure 22	Public agencies have varied trade-related roles and duties	35
Figure 23	Public agencies believe they understand traders' concerns	35
Figure 24	Agencies say traders can satisfy domestic and foreign rules	36
Figure 25	Business associations see progress on most trade issues	40
Figure 26	Impact of non-tariff measures: A shift in sectors since 2014	43
Figure 27	Domestic regulations are less of a problem than in the past	43
Figure 28	Difficulties due to procedural obstacles are still the main concern	44
Figure 29	Blueprint for regulatory reforms is based on 10 principles	47
Figure 30	Seven one-stop shops have been set up on Tanzanian borders	49
Figure 31	Half of firms face similar difficulties as those reported in 2013–2014	53
Figure 32	Traders see many improvements in the business environment	54

Acronyms

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons. Some figures in the report may not add up to 100% due to rounding.

BRELA	Business Registration and Licensing Agency
C.A.F.E.	Coffee and Farmer Equity
EAC	East African Community
EU	European Union
ITC	International Trade Centre
kg	kilogram
MARKUP	Market Access Upgrade Programme
NTB	Non-tariff barrier
NTM	Non-tariff measure
OSHA	Occupational Safety and Health Authority
SMEs	Small and medium-sized enterprises
SPS	Sanitary and phytosanitary
TAEC	Tanzania Atomic Energy Commission
TBS	Tanzania Bureau of Standards
TBT	Technical barriers to trade
TFDA	Tanzania Food and Drugs Authority
WTO	World Trade Organization

Executive summary

Non-tariff measures (NTMs) often create major hurdles for businesses engaged in cross-border trade, undermining the competitiveness of exporters and their ability to access international markets. Governments impose measures such as testing, certification and licensing to regulate markets, protect consumers and preserve their natural resources. But traders must deal with NTMs and other challenges first-hand. Those in developing and least developed countries, in particular, struggle with these measures.

For governments, understanding the main concerns of importers and exporters about NTMs, difficulties applying these measures and trade-related business environments can help define national strategies to overcome trade obstacles. For this purpose, a business perspective on these issues is indispensable.

A large-scale survey about non-tariff measures

To ensure a holistic understanding of NTM-related barriers affecting Tanzanian firms, the International Trade Centre (ITC) interviewed 613 importers and exporters in the United Republic of Tanzania in 2019 and 2020. This large-scale survey shows that 72% of Tanzanian exporters have a hard time complying with domestic and foreign trade-related regulations and procedures.

These invisible barriers to trade affect exporters and importers differently, and their impact varies across sectors. More exporters of agricultural commodities (76%) struggle with NTMs than manufacturing exporters (57%). In general, exporters of agricultural commodities must comply with more and stricter product-specific regulations related to health and safety that they may find difficult to meet.

Domestic regulations are the top challenge

Almost half of the non-tariff measures that exporters deem burdensome are linked to Tanzanian regulations and procedures on exports. These domestic policies affect both the agricultural and manufacturing sectors.

Exporters identified requirements to obtain various permits, licences and certifications as the biggest obstacles. Their main concerns with these requirements involved the amount of documentation, multiple administrative windows and waiting time at public agencies.

Testing and certifications hinder agricultural exporters

Exporters of food and agricultural commodities have a hard time complying with technical requirements and related conformity assessments, such as testing and certifications. Survey participants mentioned difficulties in the process of issuing product certifications, satisfying testing requirements and ensuring the product characteristics required by their counterparts. Inadequate quality infrastructure and the fact that testing and certificates issued in the United Republic of Tanzania are not recognized are among the main causes of exporters' difficulties.

Packaging for exporting is a challenge

Tanzanian exporters of fresh food and other farm goods have a hard time meeting packaging requirements for exporting. Packaging materials required by partner countries are not easy to find locally, so they must be imported – increasing production costs.

Although some packaging material manufacturers are located in the United Republic of Tanzania, few exporters know about their services. Also, most of these manufacturers lack the necessary certification of quality, which is vital for food packaging. As a result, food producers usually must prove packaging quality.

Packaging requirements vary across foreign markets and not many exporters know all of them. Additionally, few exporters understand the importance of packaging, so it often remains an afterthought – leading to more difficulties later. Good-quality packaging is also expensive, especially for small-scale firms that export in small quantities but must buy packaging materials in bulk.

Satisfying quality requirements starts at the farm level

Difficulties with quality standards required by buyers in the foreign market start at the farm level. Some farmers are not trained properly on the best harvesting and post-harvesting practices. They also lack the correct equipment and infrastructure to prove the quality of their goods during production.

Procedural obstacles make compliance difficult

Tanzanian exporters struggle more with the procedural obstacles related to non-tariff measures (59%) rather than with the measures themselves (13%). The remaining difficulties (28%) are due to both the strictness of the regulation and the related procedures. Most of the procedural obstacles stem from Tanzanian policies. This means many of the difficulties that exporters face could be eased by streamlining domestic procedures and improving local facilities.

The most common procedural obstacles are delays, high fees and charges, and limited or unsuitable facilities in the country (for example, for testing and certification). Other major hurdles for exporters include numerous administrative windows, documentation difficulties and insufficient information on trade-related regulations and procedures.

Regulatory reforms help exporters tackle hurdles

ITC conducted a similar survey on non-tariff measures in the United Republic of Tanzania in 2013–2014. The results of the latest survey are very similar to those of the first one in terms of the share of affected companies. However, companies have a more positive outlook thanks to several reforms in the country aimed at addressing the difficulties exporters identified.

To understand how Tanzanian exporters have dealt with past barriers, ITC reconnected with many of the firms that were surveyed in 2013–2014. These companies were asked how their experiences with NTMs had changed over the years. While about half still faced the same sort of issues they reported in the first survey, some have overcome challenges thanks both to better practices at the public agencies and their own operational changes (such as hiring customs agents).

The latest survey shows that recent reforms have helped tackle certain trade barriers – so much so that some of the challenges brought up in the first NTM survey no longer concern exporters. While many NTMs remain burdensome for exporters, they agree that government reforms have alleviated some of them.

Among the most important changes: removing and/or reducing fees charged by different agencies; harmonizing functions across agencies (particularly merging functions of the Tanzania Bureau of Standards and the former Tanzania Food and Drugs Authority); and creating one-stop border posts – agencies on borders where the requirements and procedures of both the exporting and importing countries can be addressed jointly.

Electronic single window system is a priority

The full implementation of an electronic single window system should be a priority for the United Republic of Tanzania. This paperless one-stop service, now in the pilot stage, aims to connect all agencies involved in cross-border trade. Through the single window system, companies can submit all documents for exporting and have necessary certificates or permits issued in a single electronic solution. Payments would also be made through the system, avoiding the need to go to different agencies and use different systems.

Full implementation of this programme could eliminate most of the domestic procedural hurdles that exporters face, such as having to visit multiple agencies in different locations and submitting multiple and often duplicate documents. The electronic single window system would also address arbitrary behaviour of officials and reduce delays due to red tape.

National quality infrastructure must be improved

The United Republic of Tanzania does not have enough quality facilities and laboratories with international accreditation. This means companies must rely on private foreign labs, which are usually more expensive. To overcome this hurdle, the Tanzania Bureau of Standards should seek the international accreditation of laboratories that serve key exports. The agency should also set up more labs in different regions of the country, so firms spend less time and money sending their samples to Dar es Salaam.

Focus on packaging for a successful export story

Many Tanzanian exporters rely on imported packaging material. In principle, this should not be a concern if quality is acceptable and prices are competitive. However, many of these exporters face obstacles on packaging quality and pricing, usually because they lack adequate knowledge. They need appropriate information and training about packaging.

Efforts should also be made to produce more packaging materials domestically, to attract private investment in this sector and to boost awareness and information about existing packaging manufacturers in the country. Companies that produce packaging materials should be supported so their products meet the required quality standards for food packaging and are certified. This would help eliminate concerns among agricultural exporters about the quality of their packaging.

Branding and packaging go hand-in-hand. Efforts should be made to distinguish Tanzanian products from international competition by highlighting their premium or unique qualities.

One example of this is the recently launched 'Tanzania Spices' label. Spices that meet domestic quality standards will be stamped with this label, as a mark of good quality. This programme seeks to build acceptance and the reputation of Tanzanian spices and standards. The Government should support such initiatives with a comprehensive marketing and branding strategy, so the label can be positioned in international markets.

Harmonize national and regional standards with international ones

National and regional standards should be harmonized with international standards. This would make it easier for exporters to comply with different standards according to the destination market, saving them time and money.

Survey sample is representative of Tanzanian traders

The NTM Business Survey in the United Republic of Tanzania identifies the hurdles that hold back exporters and importers, as well as potential bottlenecks related to trade procedures and cross-border operations. The survey results are representative of the export sector.

This publication also provides deeper insights on products of key strategic importance to the country – namely, tea, coffee, avocados, spices and horticulture.

The recommendations made in the report are based on consultations with relevant stakeholders. They have been aligned with the guidelines in ITC's action plan aimed at supporting small businesses in developing countries affected by the COVID-19 crisis.

KEY ISSUES

Compliance with GLOBALG.A.P. certification

What is the issue?

Obtaining GLOBALG.A.P. certification is challenging for Tanzanian exporters because no entities in the country are qualified to assess farms on good agricultural practices as per GLOBALG.A.P. guidelines and issue the certification. As a result, firms rely on institutions in neighbouring countries for certifications. This generally entails higher costs and a longer waiting period.

Exporters usually hire agents from Kenya to conduct the necessary audits for GLOBALG.A.P. certification. This takes about a month and costs \$4,000, in addition to the certification fee.

Some exporters struggle with the requirements for GLOBALG.A.P. certification. One of these requirements is soil testing, for which samples must be sent to Kenya, as no approved laboratories are based in the United Republic of Tanzania.

We should have a body in Tanzania that issues the GLOBALG.A.P. certification. It is costly to bring inspectors from Kenya, South Africa or England to Tanzania. It is also time consuming and expensive – it took us one month to get an agent to inspect and cost roughly \$4,000 for him to come to Rungwe. This does not even include the certification fees.

- Exporter of avocado

NTM type related to the issue

- Technical requirements
- Conformity assessment
- Private standard

Obstacles related to the issue

- Lack of Tanzanian facilities
- High certification costs
- Long waiting times
- Difficulty meeting required standards

Type of companies facing difficulties

- Exporters of avocado, tea, coffee and spices

Issues related to exports to

- Europe

To get the GLOBALG.A.P. certification, we need to rely on DNV and Africert Ltd based in Kenya. It is costly, as in addition to certification fees we need to pay the transport cost. Although this is not a mandatory requirement, European buyers do not accept products without this certification.

- Exporter of avocado

About GLOBALG.A.P. certification

GLOBALG.A.P. is a pre-farm-gate standard, covering the production process from farm inputs, such as feed or seedlings, to all farming activities until the product leaves the farm. GLOBALG.A.P. includes annual inspections of the producers and additional unannounced inspections by independent accredited certification bodies.

There are two options for GLOBALG.A.P. certification:

1. **Single producer certification:** A single farmer receives a certificate following a successful audit by a GLOBALG.A.P.-approved certification body.
2. **Producer group certification:** A group of producers with a shared mandatory quality management system receives one certificate for the entire group following a successful audit of the quality management system and random sample inspections of some of the producers by a GLOBALG.A.P.-approved certification body.





Who can issue GLOBALG.A.P. certificates?

Five approved certification bodies in the East African Community can issue the GLOBALG.A.P. standard. The only accredited body in the United Republic of Tanzania is GreenCert Limited (under the Tanzania Horticulture Association). It began operations in February 2020, has just been 'provisionally approved' to date and only issues single producer certification.

How to get certified?

GLOBALG.A.P. general regulations and control points related to product scope detail the certification procedure. Farmers who want to become certified to GLOBALG.A.P. must take certain costs into account. Generally, they have to pay for registration, inspection and certification.

Both individual producers and groups of producers can apply for certification, the cost of which depends on the certification agency chosen and the time spent on the inspection. In addition to the certification fee charged by the certification agency, the producer must also pay an annual producer registration fee to maintain the certification.



What are the requirements?

The GLOBALG.A.P. standard requires that producers establish a complete control and monitoring system.

Products are registered and can be traced back to the specific farm unit where they were grown. GLOBALG.A.P. rules are relatively flexible about field practices such as soil fumigation and fertilizer usage. There are strict regulations on pesticide storage and pesticide residue limits. Detailed records on farm practices must be kept as it is also important to record and justify how the product was produced.

Minimum requirements for GLOBALG.A.P. compliance include:

- Record keeping and internal self-assessment/internal inspection
- Site history and site management
- Workers' health, safety and welfare
- Waste and pollution management, recycling and reuse
- Environment and conservation
- Complaints
- Traceability
- Propagation material
- Soil and substrate management
- Fertilizer use



How to improve Tanzanian exporters' compliance with GLOBALG.A.P.?

- ✓ Build capacity of existing laboratories and facilities, so they can reach accreditation status in international standards
- ✓ Build capacity of farmers to comply with GLOBALG.A.P.
- ✓ Invest in new facilities
- ✓ Implement a national quality policy that facilitates business compliance with major voluntary sustainability standards.



More information

Additional information on issues related to GLOBALG.A.P. certification is presented in Chapter 1, with recommendations in Chapter 4.



KEY ISSUES

Radioactive analysis of food products

What is the issue?

The United Republic of Tanzania requires agriculture commodities to undergo an analysis of radioactivity before export. A certificate of radioactivity analysis issued by the Tanzania Atomic Energy Commission (TAEC) is required.

Exporters have raised concerns about this requirement for various reasons. They consider the requirement unnecessary as almost no buyers in the international market require this analysis.

To export, Tanzanian firms must have several food safety and quality-related certificates, including the phytosanitary certification of the Ministry of Agriculture, and the quality marks and certifications of the Tanzania Bureau of Standards. Exporters do not understand why the radioactive analysis certificate is necessary, as it serves a similar purpose.

NTM type related to the issue

- Export-related measures
- Certification requirement

Obstacles related to the issue

- Delays issuing the certificate
- Redundant document
- High related costs

Type of companies facing difficulties

- Agricultural exporters

Issues related to exports to

- All countries

TANZANIA ATOMIC ENERGY COMMISSION
(Official Government body responsible for Atomic Energy Matters)

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P.O. Box 743
ARUSHA
TANZANIA

Reference NO. [01-64-13]

RADIOACTIVITY ANALYSIS CERTIFICATE
(Issued Pursuant to Sections 30,31,74 of the Atomic Energy Act No. 7 of 2003 and its Regulations through TRA system)

Particulars of Consignment as Declared by Exporter / Importer

DESCRIPTION OF GOODS / ARTICLES	
QUANTITY	KG
UNIT	KG
INVOICE NUMBER	ST
RECEIPT NUMBER	
EXPORTER	
MEANS OF TRANSPORT	SEA
POINT OF ENTRY	MTWARA
DESTINATION	MTWARA

This is to certify that the above-mentioned Goods/Products have been analyzed in accordance with the International Atomic Energy Agency (IAEA) for measurement of radionuclides in food and the environment using gamma ray spectrometry and have found fit for intended use, therefore import / export certificate is hereby granted.

EXPIRY DATE: 18 November, 2020

Date of analysis: 20 August, 2020 (Official stamp)

Analyzed By: _____
Checked By: _____
Authorized By: _____
Designation: FOR DIRECTOR GENERAL



Furthermore, companies face additional expenses and waiting times to obtain this certification. While the application for the certificate can be completed in person or online,¹ companies must send samples to TAEC laboratories in Arusha. It can take up to two weeks for the laboratory to analyse the samples.

Each consignment requires a certificate, so the costs add up for exporters.

About the radioactive analysis certificate

For all our edible product exports, we are required to get a radiation certificate. We have to do this for every consignment. For this, we have to send samples to Arusha for necessary testing to get the certificate. It takes one week to get the certificate, which is too long.

- Exporter of peas

¹ <https://rac.taec.go.tz/>

Exporters of foodstuffs must obtain a radioactive analysis certificate from TAEC, as established in sections 31 and 32 of the Atomic Energy Act 2003.²

The certificate ensures that the products are not contaminated by radioactive materials and that they can be distributed for human and animal consumption. Companies can apply for the certificate at TAEC's offices or online, via the TAEC website.

Applications from exporters should include a sample record form, a bill of lading and a stamped tax/commercial invoice, as well as proof of payment of the analysis fee. TAEC examines the sample sent by the exporter and then issues the certificate, if the sample complies with the criteria on radioactive materials. According to the TAEC service charter, it takes three days to analyse and process food samples for issuing the radioactivity analysis certificates.

The Tanzania Atomic Energy Commission requires that we obtain a radioactivity analysis certificate before exporting. This is not a requirement of the importing country and hence it is a waste of time and money. Our competitors do not require this certificate.

When we export to [the Russian Federation], they specifically tell us not to attach this certificate. As the certificate is obtained in Arusha, there are delays, which at times result in us missing the vessel, subsequently affecting our cash flow.

- Exporter of tea

How to get the certificate?

Companies that want the certificate should submit their application. If TAEC accepts the documents, firms can pay for the sample analysis done by the TAEC. The certification is issued after obtaining the test results.



How to improve the process of issuing the radioactive certificate?

Reassess the requirements of this certificate for exporting



More information

Additional information on the radioactive certificate is presented in Chapter 1, with recommendations in Chapter 4.



² https://trade.business.go.tz/media/atomic_energy_act_2003.pdf

KEY ISSUES

Export permits and licences

What is the issue?

Exporters find the requirement to obtain export permits and licences burdensome for two main reasons:

1. Some export permits take a lot of time to be issued or are very costly.
2. Multiple licences and permits from different institutions must be obtained. This can take a lot of time and delays their exporting processes. Institutions that issue permits are located in different cities, so it can take companies up to three weeks to obtain all the necessary permits.

NTM type related to the issue

- Export-related measures
- Export licences and permits

Obstacles related to the issue

- Delays issuing the permits
- Excessive permits
- High related costs

Type of companies facing difficulties

- All companies

Issues related to exports to

- All countries

About export permits and licences

The Government of the United Republic of Tanzania obliges exporters to obtain different types of licences and permits depending on the type of products they are exporting. Some companies may have to obtain multiple permits or licences from different agencies. Required export permits or licences include:

Our biggest issue is getting the export permits. The process can be long and tedious. One has to deal with many documents from various organizations. Some are in Arusha, some in Dar es Salaam. It is difficult to even know what is needed, and by which organization. We get broken information from different organizations, making the whole process unnecessarily long.

- Exporter of spices

The process of getting export permits is unnecessarily long and requires many documents. There is a lack of proper information. The information on permits should be computerized to better reach the people and reduce the processing times.

- Exporter of rice

Business licence:

The Business Registration and Licensing Agency issues licences to all companies that formally operate in the United Republic of Tanzania. Licence types change according to the type of operation. Firms dealing with international trade must obtain the Class A business licence.

A company may need different licences if it is involved in different activities. For instance, a business processing shirts may have to get a licence to process and sell the shirts locally and a licence to export the finished products.



Tea licence:

The Tea Board of Tanzania regulates tea exports. Exporters that manufacture, blend, pack and buy tea should get an export licence from the Tea Board. The licence is valid for one year.

Export tea permit:

Exporters of processed tea must obtain an export permit from the Tea Board of Tanzania. It is only issued if the firm has previously registered as a tea processor. A permit must be issued for each consignment.

Permit for exporting food crops

Exporters of all food crops except perishable crops and crops regulated by boards need an export permit issued by the Ministry of Agriculture. The permit is required as stipulated in the Food Security Act.

Export permit from the Government Chemist Laboratory Authority

Exporters of chemicals must obtain an export permit from the Government Chemist Laboratory Authority. The permit should be issued for each consignment

Green coffee export licence

The Tanzania Coffee Board issues licences to exporters of green coffee. The licence is valid for one year.

Premium green coffee export licence

A coffee exporter who expects to sell coffee directly, bypassing the national auction, must obtain a direct export of premium coffee licence, issued by the Tanzania Coffee Board. Premium coffee must be deemed top grade and uniquely prepared. The licence is valid for one year.

**Green coffee export approval**

This is an authorization from the Tanzania Coffee Board to export a certain shipment with specified coffee grades. The approval is valid per consignment and during a period of 60 days.

Permit of direct coffee export

This is an authorization from the Tanzania Coffee Board to export a certain shipment directly, provided it has been deemed high quality. The approval is valid per consignment and during a period of 60 days.

Timber export permit:

Exporters of forest produce, which includes timber, bamboo, baobab powder, charcoal, firewood, fruits, galls, gums and honey, must obtain an export permit. The Tanzania Forest Agency issues the permit, which specifies the amount and grade that the company is allowed to export. The permit is valid for 60 days and can be used once for a single shipment.

How to improve the experience of exporters with permits?

- ✓ Fully develop the electronic single window system.
- ✓ Streamline processes and requirements for exporting requirements. For example, the process for permits and certifications should be carried out electronically and within a specific number of days, to avoid uncertainty and delays.
- ✓ Eliminate duplicate mandates.

**More information**

Additional information on export permits and licences is presented in Chapter 1, with recommendations in Chapter 4.



KEY ISSUES

Packaging for exports

What is the issue?

Tanzanian exporters of agricultural products are struggling to meet the packaging requirements set by importing markets. Some exporters do not have sufficient information about the packaging materials that are required for specific products and markets.

Furthermore, packaging can be costly, especially for small-scale exporters who may have to buy in bulk. There are only a few local manufacturers of good-quality packaging and information on where to find them is scant. These manufacturers usually lack the required certification and testing necessary for export packaging. Tanzanian companies opt to import packaging materials at high costs.

NTM type related to the issue

- Technical requirements

Obstacles related to the issue

- Strict measure
- High costs

Type of companies facing difficulties

- Agricultural exporters

Issues related to exports to

- Europe
- United States

About packaging

Packaging requirements are specific for each product and destination. The European Union (EU) requires compliance with general standards for packaging in terms of the material and waste management of the packaging. In some cases, the EU also imposes product-specific packaging requirements that can differ from those of other markets.

We do not have the resources to enable us to pack in accordance with the requirements of our countries. At times, we cannot meet the conditions imposed by the buyer.

- Exporter of avocado

Packaging requirements for the European Union

The EU regulation on packaging has three main obligations. First, manufacturers must minimize the volume and weight of packaging to reduce waste, while still ensuring the necessary levels of safety and hygiene.

Second, packaging must be designed in a way to allow its reuse or recovery. Particularly, packaging should be either recyclable, compostable, biodegradable or recoverable in the form of energy recovery.

Third, packaging must guarantee a minimum use of noxious or hazardous substances. For instance, substances such as cadmium, mercury, lead and hexavalent chromium cannot exceed 100 parts per million in the packaging.³



³ <https://trade.ec.europa.eu/access-to-markets/en/content/labelling-and-packaging>

Beyond these basic requirements, the EU has specific packaging requirements for certain items. Cartons used to package avocados must have specific characteristics. Any print on them cannot come in contact with the fruits. It is compulsory to use 4 kilogram (kg) single layer cardboard boxes, or occasionally 5.5kg single layer and 11kg double layer cartons.

Furthermore, avocados should be packed in accordance with the Recommended International Code of Practice for Packaging and Transport of Fresh Fruits and Vegetables (CAC/RCP 44-1995).

In the case of tea, bulk packaging is usually done in wooden chests that are placed on pallets. This is costly, however, so tea exporters use foil-lined, multi-ply paper sacks that protect the tea from moisture and other types of contamination.

Packaging requirements are very strict in the United States and European countries. They are mostly required to use paper materials to package tea. Tanzanian businesses are still behind when it comes to making packaging materials accepted internationally.

- Exporter of tea

How to improve the experience of exporters with packaging?



- ✓ Improve certification and testing of packaging materials manufactured in the country.
- ✓ Implement a national quality policy that includes enhancing the packaging infrastructure in the country.
- ✓ Build the capacity of exporters to better understand the packaging requirements of destination markets, especially on food packaging.
- ✓ Support exporters on packaging and branding strategies for market access and value addition.

More information

Additional information on packaging requirements is presented in Chapter 1, with recommendations in Chapter 4.





Key regulatory reforms

The Government of the United Republic of Tanzania has undertaken regulatory reforms to address the procedural and regulatory obstacles facing traders. Many of these improvements complement ITC recommendations made in 2014 following the first NTM business survey.

The reforms have made it easier for traders to cope with non-tariff measures and the general business environment. More than a third of surveyed companies that experienced difficulties in 2014 were able to overcome their issues, thanks in part to these reforms.

The business community appreciates the gains that have been made to improve electronic procedures, reduce corruption, and improve security and the availability of trade information. Other challenges, such as delays and a lack of sufficient testing facilities, still need to be addressed.



How have companies overcome NTM-related hurdles?

The port staff are now better trained. The pre-shipment inspection process is better organized. This has reduced the delay.

- Importer of furniture

The product certification process used to take long at the Ministry of Agriculture. But the Ministry seems to be functioning more efficiently these days.

- Exporter of flowers

Key reforms implemented by the Tanzanian Government to facilitate cross-border trade

- | | |
|--|--|
| <ul style="list-style-type: none"> 1 Cap on the produce cess 2 Removal of Occupational Safety and Health Authority registration fees 3 Removal of different fees in several sectors 4 Implementation of the Tanzania Customs Integrated System 5 Electronic certificate of origin 6 Creation of the TBS client service charter | <ul style="list-style-type: none"> 7 Merger of the Tanzania Food and Drug Authority and the Tanzania Bureau of Standards 8 One-stop border shops 9 BRELA Online Registration System 10 Online Business Registration System – Zanzibar 11 The EAC Elimination of Non-Tariff Barriers Act, 2017 12 Tanzania Trade Information Portal |
|--|--|

More information

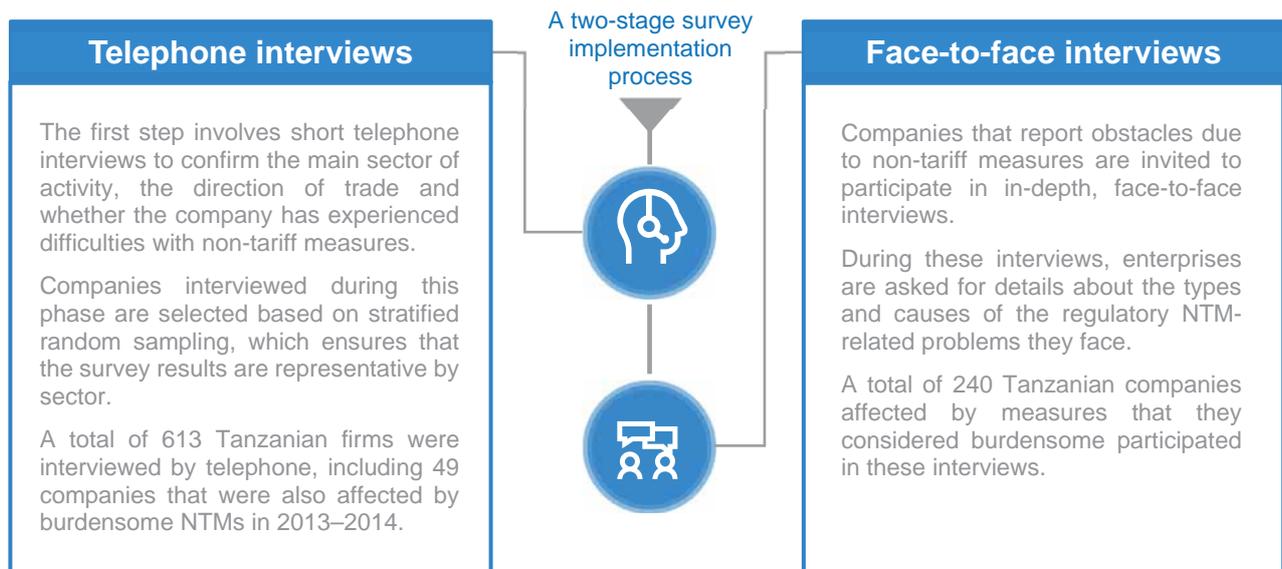
Additional information on issues related to regulatory reforms is presented in Chapter 3.



CHAPTER 1 THE COMPANY PERSPECTIVE



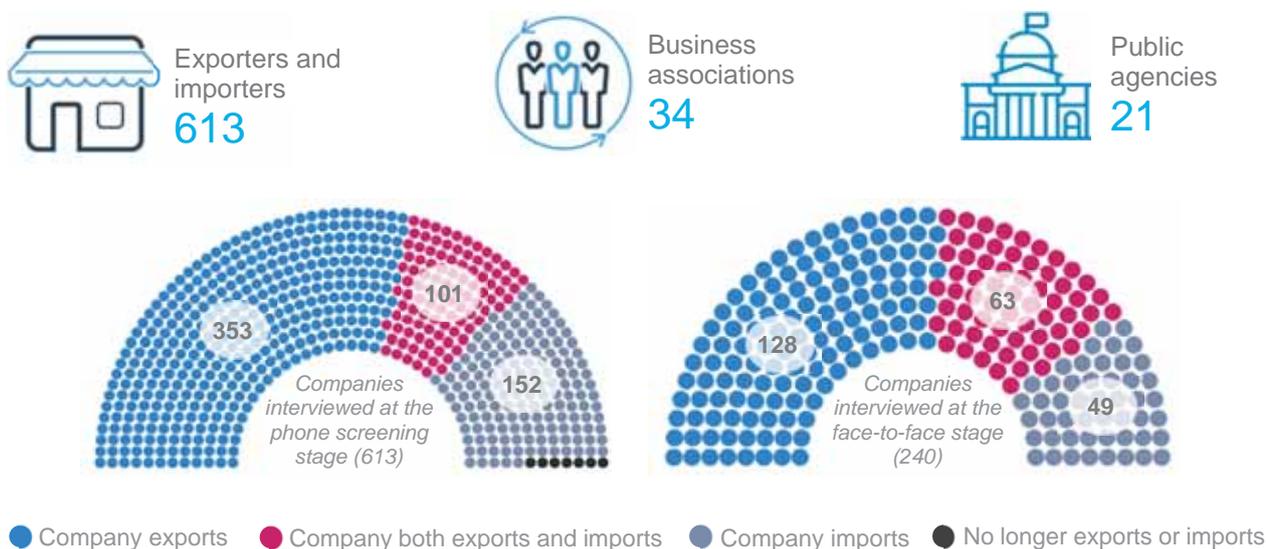
The International Trade Centre's (ITC) business surveys on non-tariff measures (NTMs) give micro, small and medium-sized enterprises a voice and shed light on the often-invisible obstacles to trade that exporters face. The survey results are representative by export sector. As many exporters rely on imports of intermediate inputs, companies are also asked about their importing activities and difficulties, if any. The NTM Business Survey in the United Republic of Tanzania was carried out in 2019–2020.⁴



⁴ This is the second NTM Business Survey in the United Republic of Tanzania. ITC implemented the first survey in 2013–2014. Please refer to Chapter 3 for key findings of the first survey.

ITC interviewed 613 companies in the initial telephone interviews: 353 exporters (58%), 152 importers (25%) and 101 companies engaged in both exporting and importing (16%).⁵ In the subsequent face-to-face interviews, 240 firms were interviewed. To complement the business perspective, ITC also interviewed 34 business associations and 21 public agencies about their experience with non-tariff measures.

Figure 1 Most interviewed companies are exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Non-tariff measures hinder most exporters

The survey found that 72% of Tanzanian exporters face difficulties due to restrictive domestic and/or foreign regulations or related procedural obstacles.⁶ These difficulties relate to their current experiences or experiences in the last year.

Non-tariff measures are official regulations applied by the authorities in the exporting or importing country. Procedural obstacles are problems that traders face due to the way the regulations are implemented.

There are many reasons companies struggle to comply with NTMs. The conditions of a regulation may be overly complex or trade restrictive – for instance, businesses may be unable to export due to export prohibitions or because they cannot meet quality requirements.

Furthermore, exporters may find it difficult to comply with certain regulations because of the procedures they must follow to do so. Procedural obstacles can arise in the United Republic of Tanzania, in transit countries or in destination countries, irrespective of which country applies the measure.



Share of exporters affected by NTMs



Exporters from agriculture sector affected



Exporters from manufacturing sector affected

⁵ Seven companies were formerly engaged in international trade, but no longer export or import.

⁶ According to the survey methodology, an exporter is considered to be affected by an NTM if it reports difficulties in exporting at least one of its products due to foreign or domestic regulations.

Agricultural exporters are the most affected

Onerous regulations and procedures hamper Tanzanian exporters of agricultural products – especially those that export fresh and processed foods – far more than manufacturing companies (76% vs 57%). Sanitary and phytosanitary (SPS) measures and related certification or control procedures greatly affect agrifood products, which tend to be highly perishable and fragile.

Some manufacturing subsectors have also been hit hard by non-tariff measures, such as metal and other basic manufacturing (83%), chemicals (72%) and leather products (67%).

Non-tariff measures also encumber importers

Trade regulations affect exporters and importers differently. In the case of the United Republic of Tanzania, non-tariff measures create more challenges for exporters than importers. The survey found that 65% of firms faced regulatory or procedural difficulties when importing. The share of companies affected by NTMs is fairly uniform across import subsectors.

Share of exporters affected by non-tariff measures across different sectors

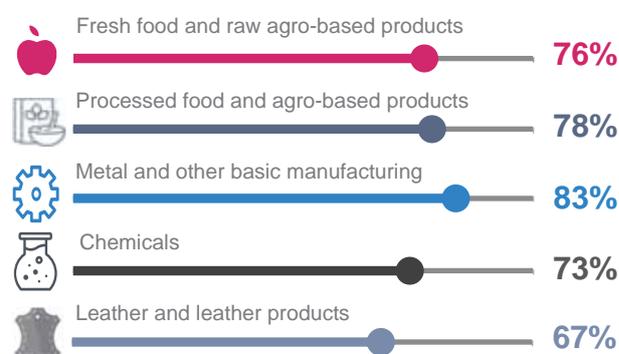


Table 1 Non-tariff measures affect both exports and imports

Company type	Sector	Export and import values in 2018 (\$ '000)	Sector's share in total exports or imports	Number of surveyed companies ^{1/}	Share of companies facing difficulties with NTMs
Exporters	Agrifood	1,345,974	64%	358	76%
	Manufacturing	744,854	36%	96	57%
	Subtotal	2,090,828	100%	454	72%
Importers	Agrifood	699,574	11%	36	64%
	Manufacturing	5,927,833	89%	217	65%
	Subtotal	6,627,407	100%	253	65%
Total				613	69%

Note: ^{1/} A total of 101 surveyed firms were involved in both exporting and importing. These companies were interviewed separately about each activity and are included separately in the count for exporters and importers. The total of exporting and importing companies (613) represents the number of individual companies interviewed rather than the sum of the subtotals in the table (707).

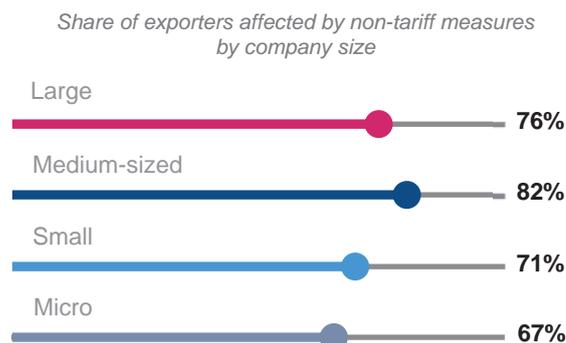
Note: Figures exclude exports of minerals and arms, as they are outside the scope of the survey.

Source: ITC Trade Map, 2018, and ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Companies of all sizes are affected

Non-tariff measures have an impact on firms of all sizes. In the United Republic of Tanzania, large and medium-sized companies are more affected than small firms and microenterprises. Medium-sized companies are the most affected, with 82% experiencing difficulties with NTMs.

Why do non-tariff measures affect larger companies more than smaller businesses? One reason could be that bigger firms handle a greater variety of products and trade with more countries than smaller firms. As a result, larger companies have more product-partner pairings.



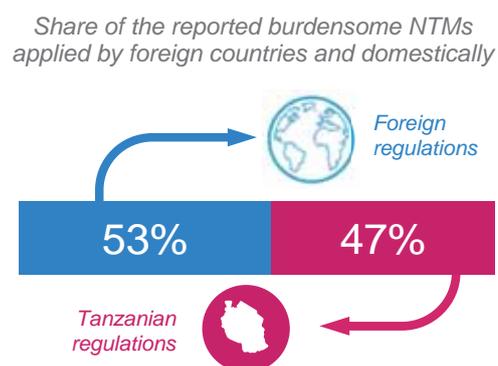
As per the survey methodology, an exporter is considered to be affected if just one product-country pairing is reported to be difficult due to NTMs.

It should be noted that while non-tariff measures affect fewer small companies in the United Republic of Tanzania, the actual impact may be harder on smaller firms than on larger firms. Smaller companies usually do not have the resources of larger firms at their disposal or the required expertise to deal with these hurdles.

Both foreign and local regulations are burdensome

More than half (53%) of the burdensome NTMs reported by Tanzanian exporters are regulations applied by the partner (importing) countries. The remainder (47%) are Tanzanian regulations applicable on their exports.

The United Republic of Tanzania imposes more onerous non-tariff measures than many other countries. On average, domestic regulations are responsible for 35% of all the difficulties reported by companies in East Africa and 27% in West Africa. In the Asia-Pacific region, just 20% of the reported difficulties are due to domestic regulations on exports.



European and Asian regulations are the most reported

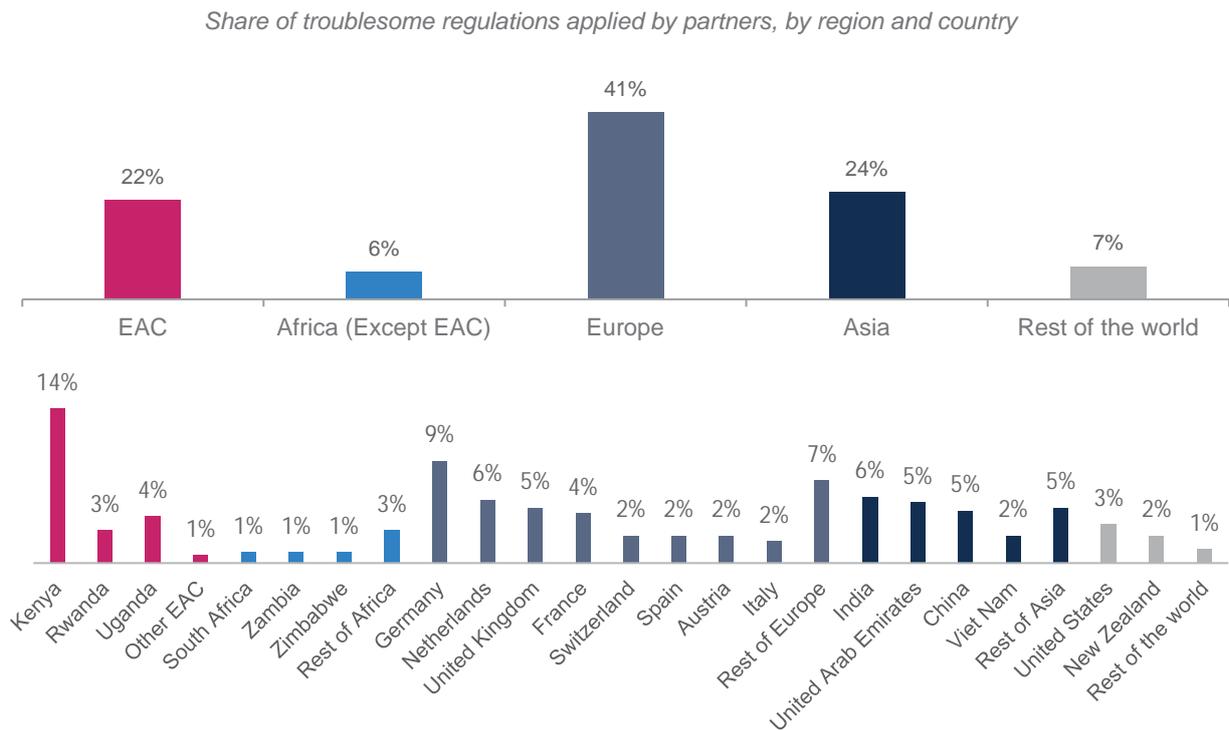
Tanzanian exporters are more concerned about European regulations (41%) than those from other regions. Most of their difficulties involve exports to Germany (9%), the Netherlands (6%) and the United Kingdom (5%). This finding is not surprising: exporters from developing countries generally have a hard time dealing with European regulations. Furthermore, exporters must satisfy specific European buyer requirements or voluntary (private) standards.

Asian countries are responsible for 24% of the troublesome foreign NTMs reported in the Tanzanian survey, led by India (6%), the United Arab Emirates (5.5%) and China (5%). About 22% of onerous regulations are imposed by members of the East African Community (EAC) – particularly Kenya (14%).

At the country level, most of the challenges Tanzanian exporters face with NTMs occur when exporting to Kenya. This can be partially explained by the large trade flows between these neighbouring countries;⁷ the more transactions between countries, the greater the likelihood of regulatory hurdles.

⁷ Tanzanian exports to Kenya amounted to \$221 million in 2018, making the country the fifth-biggest market for Tanzanian goods – and the largest market in the EAC region. See ITC's Trade Map (www.trademap.org).

Figure 2 Asia and Europe impose most of the tough regulations



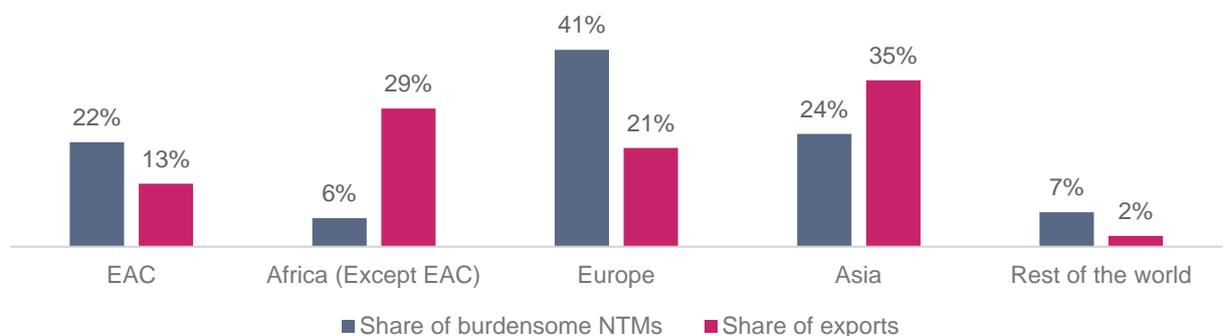
Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Exporters face overly high share of difficulties with European and EAC regulations

The share of difficulties with European regulations is disproportionately high when compared to the share of Tanzanian exports destined for Europe. While 21% of Tanzanian exports go to Europe, 41% of the reported troubles with foreign regulations involve European regulations. The same is also true of exports to the East African Community, which buys 13% of Tanzanian exports but is responsible for 22% of troublesome NTMs.

In contrast, Tanzanian exporters face few difficulties in Africa, which imposes just 6% of the onerous foreign regulations even though 29% of the country’s exports go there. The same is true for exports to Asian countries: Around 35% of Tanzanian exports go to Asia, but account for only 24% of the burdensome NTM cases. These results suggest that Tanzanian exporters find market access to Europe much more complex and difficult compared to other foreign markets.

Figure 3 Difficulties with European rules are high compared to import share



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Cross-cutting issues for exporters

Domestic regulations account for 47% of the difficult NTMs reported by Tanzanian exporters, followed by technical measures (46%) that include both technical requirements and conformity assessment.

Technical measures and domestic regulations have the biggest impact on agricultural exporters. These regulations also concern exporters of manufacturing products, though to a lesser degree than agricultural exporters. Manufacturing exporters are more affected by NTMs related to rules of origin than businesses that export agricultural products.

Technical measures concern firms in all sectors

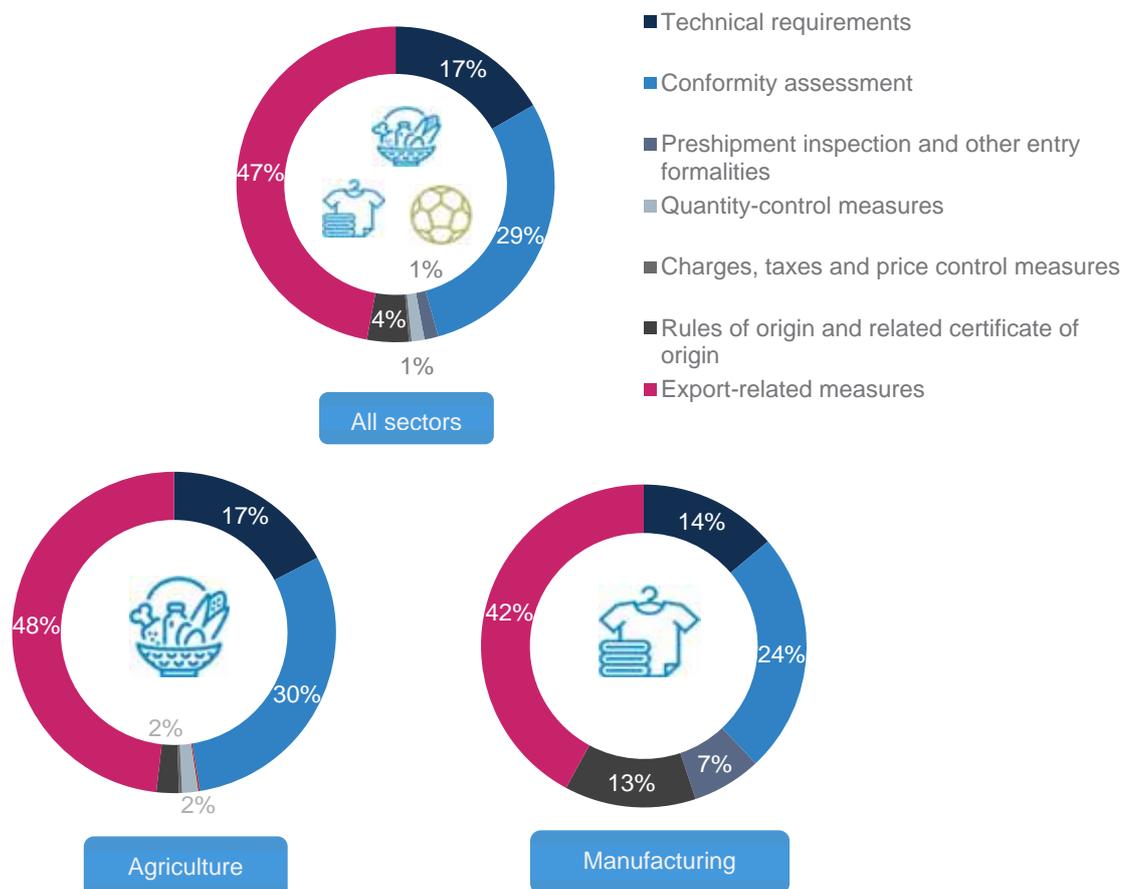
Conformity assessment requirements are a bigger challenge for Tanzanian exporters than the technical requirements themselves Figure 4. This suggests that proving compliance with technical regulations is more difficult for companies than actual compliance.

Technical measures include



Figure 4 Technical measures and export-related rules are top barriers

Types of NTMs exporters find burdensome



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Domestically issued product certificates are not always recognized

Most of the conformity assessment barriers reported in the survey stem from the testing and product certification requirements of the importing countries. Many exporters noted that international markets often refuse to recognize certificates issued by Tanzanian bodies. Companies must rely on private laboratories or international certification bodies for recognized product certificates.

The South African Development Community Accreditation Services, a multi-economy accreditation body, recognizes six Tanzania Bureau of Standards (TBS) laboratories. However, these labs are unable to meet the growing demand for their services and, with all six located in Dar es Salaam, it is difficult and costly for businesses based elsewhere in the country to access their services.

Furthermore, these laboratories do not offer all of the testing and requirements for exports. While some private accredited bodies and laboratories are available in the United Republic of Tanzania, these are scarce, expensive and difficult to access for exporters in all regions.

Packaging for exporting is difficult

Tanzanian exporters face many obstacles related to packaging. First, they lack sufficient information about which packaging materials are necessary for specific products and markets, making it difficult to comply with packaging requirements. Second, proper packaging is expensive, especially for small and medium-sized enterprises (SMEs) that do not export large quantities and can only find bulk packaging in the market. Third, few local companies produce good-quality packaging, but finding information about these manufacturers is difficult. As a result, most Tanzanian companies opt to import packaging materials at high costs.

Packaging rules are specific for each product and destination, which can lead to high costs for exporters. For instance, the European Union (EU) requires compliance with general standards for packaging in terms of the material and waste management of the packaging. In some cases, the EU also has product-specific packaging requirements that differ from the requirements of other markets, making it difficult for micro and small companies to find the suitable packaging.

Lack of standards and infrastructure affect product quality

Tanzanian companies realize that their goods do not always meet the quality standards required by importing countries. The product characteristics in terms of size, taste and other physical traits may not be up to international requirements. This is largely due to three factors.

First, the United Republic of Tanzania lacks necessary storage and post-harvesting infrastructure. Without these, firms cannot guarantee the quality of their products.

Second, the country has not yet developed standards for some major and emerging products, such as certain spices or avocados. Without standards, companies lack information about which practices should they follow to have a high-quality product.

Finally, some of the available product standards are not fully aligned with the international practices. For instance, TBS standards on maximum residues limit are usually lower than international standards. While a product with the TBS standard will not face any problems in the local market, it will be hard for exporters to sell the same product abroad.

Issues with rules of origin and certificates of origin

While only 4% of the reported difficulties pertain to rules of origin and certificate of origin requirements, these issues are still relatively common among manufacturing exporters (13%). In most cases, the problem originates with procedural obstacles, such as delays and lack of recognition of the certificate by the authorities of the importing countries.

Exporters' testimonies suggest that companies were not aware of the Registered Exporter system, commonly known as the REX system, for issuing the certificate of origin when exporting to Europe. This is a system of certification of origin, based on self-certification, and Tanzanian exporters have been obliged to join since 1 January 2018.

Surveyed firms said they were unaware of this change, however, as no information was available about the regulation. Consequently, companies issued their certificate of origin using past forms, and had to reissue the certificate at the border, causing delays and extra costs.

Domestic regulations are a major obstacle

As already mentioned, 47% of the troublesome NTM cases reported by Tanzanian exporters involve domestic regulations. This breaks down to 48% of the cases in the agriculture sector and 42% of the cases in manufacturing sector. The most common complaint about domestic regulations concerns licences or permits for exporting, followed by export certifications required by the United Republic of Tanzania.

Export permits seen as redundant and unnecessary

Surveyed firms said too many permits are required for exporting. Companies must obtain permits from different government agencies, which takes a lot of time and can be expensive. In some cases, exporters need to get permits from agencies located in different cities, making the process tedious and lengthy.

Figure 5 Need for export permits cited as most taxing domestic issue



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Export certifications are perceived as costly

Companies consider some compulsory export certifications as a costly obligation that brings no benefits. For instance, all Tanzanian exports that are destined for human or animal consumption must have the radioactivity analysis certificate issued by the Tanzania Atomic Energy Commission (TAEC). This certificate ensures that products contain no radioactive materials, but exporters do not understand why it is necessary, as partner countries usually do not require it. They report delays and high costs in obtaining the certificates.

Local taxes add up

Tanzanian laws require exporters to pay local taxes in each district. Many companies source their products from different districts before exporting, and they regard these taxes as a major expense. They acknowledge government efforts to limit the rates of local taxes, but still consider the laws to be highly restrictive.

Despite preferential access, exporting to the EAC is challenging

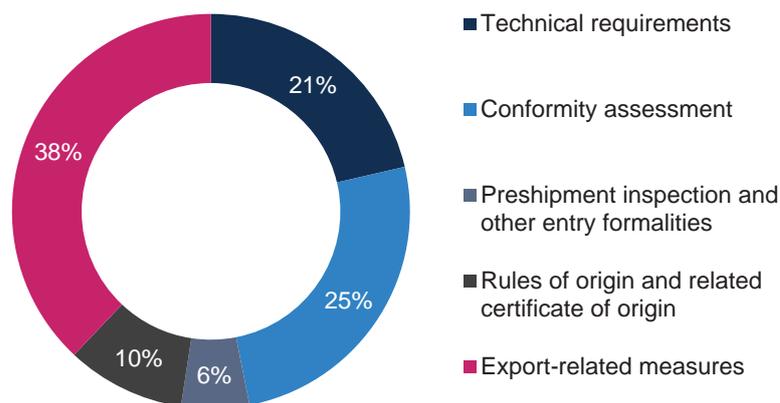
The other five members of the EAC – Kenya in particular – account for about 22% of the burdensome NTMs applied by foreign markets. Only 13% of Tanzanian exports go to the EAC, even though Tanzanian exporters have preferential access to this market. These figures underscore the need to remove trade obstacles so the United Republic of Tanzania can exploit its untapped export potential of \$184 million in the EAC.⁸

⁸ ITC (2020). Export Potential Map.

Conformity assessments and technical requirements are the main hurdles reported by companies when exporting to the EAC. Domestic regulations also represent an important share of burdensome NTMs, though they are less of a problem when exporting to the EAC compared to other markets.

Tanzanian companies often complain about the lack of recognition of national certificates and quality marks issued by the Tanzania Bureau of Standards – even by EAC members. According to the EAC commitments, both harmonized regional standards and national ones should be accepted when exporting within the region. However, some exporters reported that customs officials at the border sometimes refused to recognize the TBS quality mark, which certifies that a product meets Tanzanian quality standards.

Figure 6 Technical measures hamper exports to East African Community



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Tanzanian exporters say other countries in the EAC, such as Kenya, often refuse to recognize the certificates of origin for their products. They also reported that border officials sometimes ask for informal payments to accept the certificate and that when the certificate is rejected, exporters must pay import duties.

Top hurdle: The procedures, not the regulations

Only 13% of the regulatory problems that Tanzanian exporters encounter are due solely to the regulation itself. Most non-tariff measures (59%) are challenging because of the related procedural obstacles, which are difficulties that firms face because of the way the regulations are implemented. The remaining hurdles (28%) are due both to the regulation itself and the procedures necessary to comply with it.

Slow procedures are a key problem for Tanzanian exporters. Delays account for 32% of the procedural obstacles reported, while 19% involve high fees and charges. Limited or unsuitable facilities in the country (for example, for testing and certification) are the third most commonly reported hurdle.

Other major procedural difficulties for exporters include the large number of administrative windows, problems with documentation (for example, for testing and certification) and a lack of information on trade-related regulations and procedures.

What are procedural obstacles?

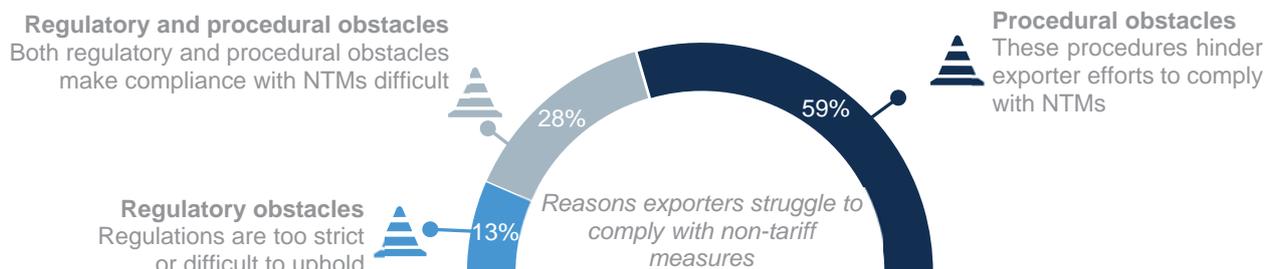
To provide a better understanding of the nature of problems that exporters face, the NTM survey methodology identifies the measures that are burdensome to exporters as well as the underlying reasons they are burdensome.

Exporters often find it difficult to comply with a particular regulation not only because it is too strict or complex, but also (and at times solely) because of the related procedures.

Non-tariff measures are official regulations applied by the competent authorities in the exporting or importing country, and traders must comply with them. Procedural obstacles are hurdles that companies face due to the way a regulation is applied.

Exporters come up against many of these procedural hurdles at home. Given that exporters say 87% of NTMs are burdensome because of related procedures and as most of these procedural obstacles occur in the United Republic of Tanzania, streamlining domestic processes and improving facilities would be a big help for these enterprises.

Figure 7 Procedures make compliance difficult for Tanzanian exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Figure 8 Domestic procedures are the most common obstacle



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Agricultural export challenges

Agriculture is an important sector for the Tanzanian economy. About 65% of the workforce is employed in this sector, which contributes to 39% of the country's gross domestic product.⁹

Prospects for the Tanzanian agricultural sector in the international market looks promising. The country exported agrifoods worth \$1.3 billion in 2018.¹⁰ It also has an untapped export potential of \$1.2 billion in nuts, pulses, oil seeds, coffee and fish,¹¹ and a rising supply of emerging products such as avocados.

Frictions and issues that may be holding back Tanzanian agrifood exports must be resolved to ensure that the sector plays a greater role in international trade.

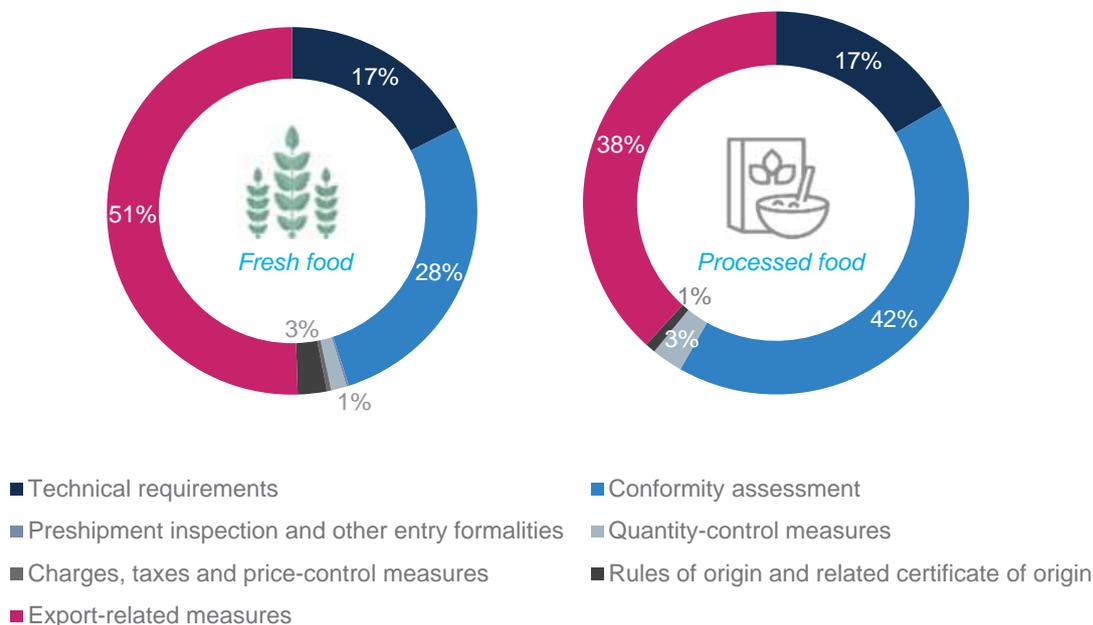
Food exporters struggle most with conformity assessment

ITC interviewed 358 agricultural exporters in the United Republic of Tanzania. Given the strategic importance of avocado, tea, coffee, spices and horticulture, the survey prioritized interviews with exporters of these items. Agricultural exporters reported a total of 630 NTM cases of different types with 825 related procedural obstacles, most of which occurred in the United Republic of Tanzania.

More than three-quarters (76%) of agricultural exporters surveyed found it difficult to comply with trade regulations – either domestic or foreign. Exporters in both the fresh food and the processed food subsectors were strongly affected by challenging regulations (76% and 78%, respectively).

Exporters of fresh foods and processed foods face similar problems. Both subsectors struggle with technical measures (especially conformity assessment). However, export-related policies affect fresh and raw items more than processed foods. Some crops and agricultural goods are subject to special regulations involving export permits and procedures, which explains the sector's greater exposure to this type of measure.

Figure 9 Fresh and processed food exporters face similar challenges



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

⁹ World Development Indicators, World Bank (2019).

¹⁰ ITC Trade Map (2019).

¹¹ Export Potential Map (2020).

Table 2 Why do regulations encumber agricultural exporters?

Number of cases reported for each measure type and the reason it is burdensome				Procedural obstacles making the measure difficult and where they occur			
NTM type	Measures are strict	Due to procedural obstacles	Both NTM and procedures	Type of procedural obstacles faced (procedural obstacles)	United Rep. of Tanzania	Partner or transit country	Total
Technical requirements	30	11	68	High fees and charges	38		38
				Limited or inappropriate facilities	26		26
				Information not adequately published	15		15
				Other procedural obstacles	13	5	18
Conformity assessment	4	92	94	Delay related to reported regulation	24	61	85
				Limited or inappropriate facilities	90	3	93
				High fees and charges	41	22	63
				Other procedural obstacles	40	10	50
Pre-shipment inspection and border clearance	0	1	0	Delay related to reported regulation		1	1
Quantity-control measures	10						0
Charges, taxes and price-control measures	1	1		Arbitrary behaviour of officials		1	1
Rules of origin and related certificate of origin	5	9		Delay related to reported regulation	8		8
				Large number of different documents	3		3
				High fees and charges		1	1
Export-related measures	38	227	39	Delay related to reported regulation	157	1	158
				High fees and charges	80		80
				Numerous administrative windows	63		63
				Large number of different documents	34		34
				Information not adequately published	30		30
				Other procedural obstacles	58		58
Total	88	341	201		720	105	825

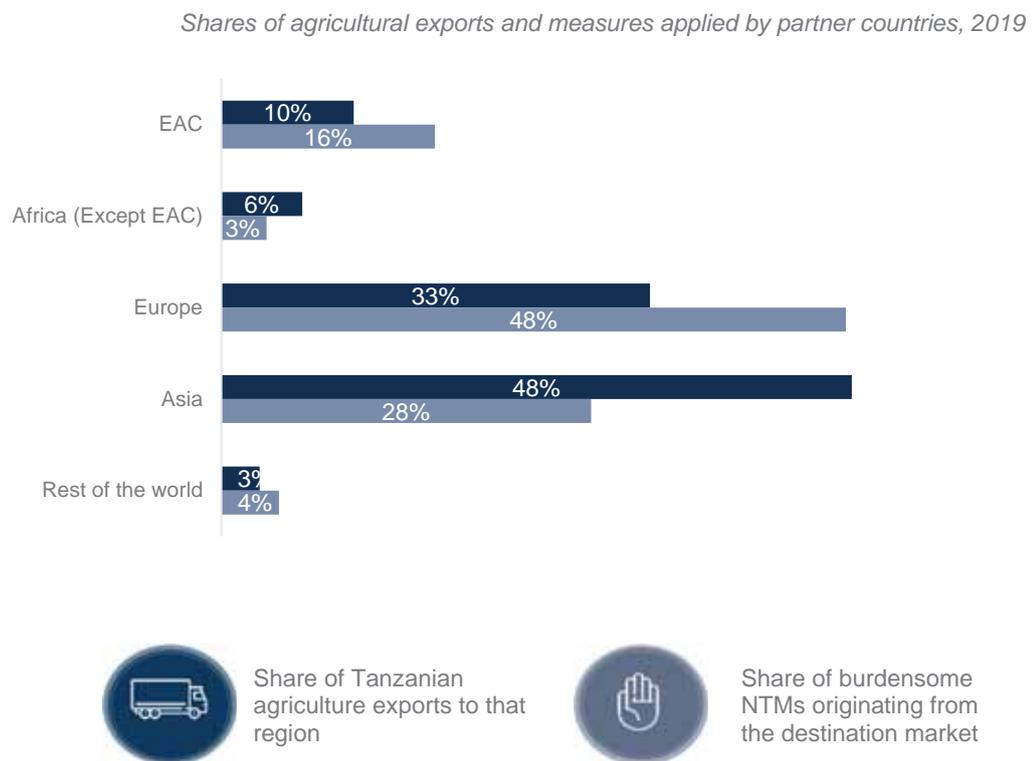
Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

EU applies most of the burdensome regulations in agriculture

As already noted, most of the foreign non-tariff measures agricultural exporters consider burdensome originate in Europe or Asia. These two regions are also among the largest markets for the Tanzanian agriculture sector.

Tanzanian agribusinesses find it more difficult to export to Europe than Asia. While Europe buys 33% of the country's agrifood exports, more than 48% of the troublesome NTMs that were identified are European. In contrast, Asian countries buy 48% of Tanzanian agriculture exports, but they are responsible for only 28% of the arduous foreign regulations. EAC countries import 10% of Tanzanian agrifood exports while accounting for 16% of the burdensome cases.

Figure 10 Firms face most difficulties exporting agrifoods to Europe



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020; and ITC Trade Map, 2020.

Avocado

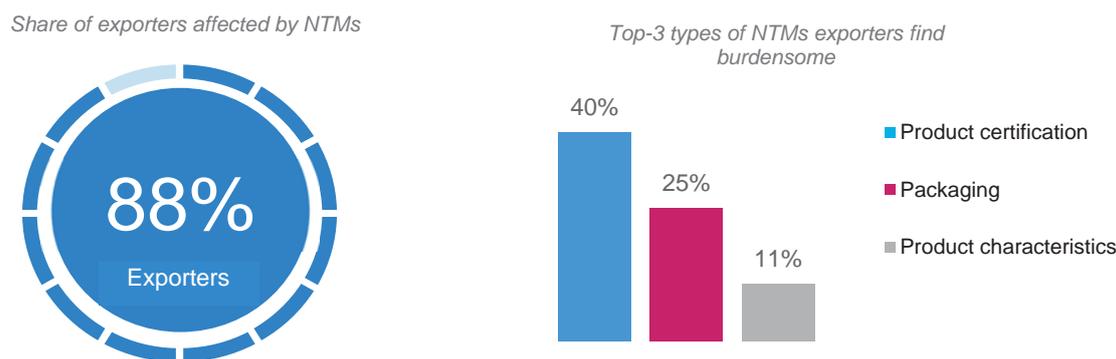
Avocado is a fast-growing Tanzanian export commodity. While Tanzanian agricultural exports declined 9% in 2013–2018, exports of avocado increased more than 300% in that period, although its share in the total agricultural exports is still marginal.¹² Avocado exports were valued at \$8.5 million in 2018.

Estimates of export potential suggest that most of United Republic of Tanzania’s opportunities to increase avocado exports lie in Europe. Other markets with large untapped export potential include Japan, the United Arab Emirates and China. The United Republic of Tanzania’s total untapped export potential in avocado amounts to \$8.7 million.¹³



Survey results show a large share (88%) of avocado exporters face difficulties with NTMs. This may prevent the United Republic of Tanzania from realizing its full export potential.

Figure 11 Certification and packaging conditions hinder avocado exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Lack of accredited bodies for GLOBALG.A.P. certification

Avocado exporters are often obliged to obtain GLOBALG.A.P. certification by their partners, particularly those in the European Union. GLOBALG.A.P., a voluntary standard for farm production, covers aspects of food safety and traceability, environment, workers’ health, safety and welfare, animal management and quality management in farming.

While GLOBALG.A.P. is voluntary, in practice it is almost impossible to export to the EU without it, as most European retailers require it. In fact, fresh produce that is not GLOBALG.A.P.-certified can access just a very limited share of the European market.

A lack of accredited bodies in the United Republic of Tanzania makes it difficult for exporters to get the certificate. Companies usually must rely on foreign entities in neighbouring countries such as Kenya for this purpose, which increases costs and waiting periods. Avocado exporters invite Kenyan agents to conduct the necessary audits for GLOBALG.A.P. certification. The process of inviting agents usually takes one month and costs \$4,000.

¹² ITC Trade Map (2019).

¹³ ITC (2020). ‘Tanzania’s trade in times of COVID-19: An analysis for the avocado, coffee, spices and tea sector.’

Although there was no accredited certifying body in the United Republic of Tanzania when this survey was being implemented, GreenCert Limited, under the Tanzania Horticulture Association, was provisionally approved as a certifying body for GLOBALG.A.P. certification in February 2020. This is an improvement in terms of the availability of facilities for the certification, but the solution is still limited.

As GreenCert has only been provisionally approved, it can only issue non-accredited certificates to a limited number of producers. Furthermore, GreenCert only offers the certification for single producers (*Option 1* certification), and not for groups of producers (*Option 2* certification), which can be cost efficient for exports. This means Tanzanian exporters still face difficulties vis-à-vis accreditation and the availability of agents who can issue the GLOBALG.A.P. certificate.

Table 3 Most certifying bodies for GLOBALG.A.P. in EAC are in Kenya

Organization	Country based in	Status
GreenCert Limited	United Republic of Tanzania	Provisionally approved
Africert Ltd	Kenya	Approved
React Cert Africa Limited	Kenya	Approved
The Kenya Flower Council	Kenya	Approved

Source: GLOBALG.A.P. (2020).¹⁴

GLOBALG.A.P. certification is difficult and costly for some producers

Even with a local accreditation body, obtaining the GLOBALG.A.P. certification is a costly process. Producers have to pay for the audits and assessments for the first time, which costs around \$6,000, a significant amount for small scale producers. Besides, the renewal costs are of around \$2,000 every year.

Finding an approved certifying body is only the final step for obtaining the GLOBALG.A.P. certification. Exporters need to comply and prepare a series of requirements that range from ensuring worker's health and safety to proper soil management.

Producers applying for the certification for the first time usually hire an auditor to support with the preparation. This involves a series of internal processes and audits that require additional expenses and time. Only after that stage, the company registers and applies for the certification.

Given the number of requirements to apply, some exporters realize that obtaining GLOBALG.A.P. certification is too difficult. For instance, some of the requirements include testing the soil used by farmers, for which they should send samples to Kenya, as there are no GLOBALG.A.P. approved certification bodies that are based in the United Republic of Tanzania.¹⁵ While there is a lab testing soil, it is not GLOBALG.A.P. certified.

¹⁴ Status as of November 2020. https://www.globalgap.org/uk_en/what-we-do/the-gg-system/certification/Approved-CBs/index.html

¹⁵ https://www.globalgap.org/uk_en/what-we-do/the-gg-system/certification/Approved-CBs/index.html

Figure 12 Obtaining GLOBALG.A.P. certification takes time and money



Source: International Trade Centre.

Avocado exporters struggle with strict packaging rules

A quarter of the difficulties that avocado companies face involve international standards for packaging. Exporters say partner countries require high-quality materials that are unavailable or difficult to find in the United Republic of Tanzania. As a result, companies must import suitable packaging materials, increasing their exporting costs.

One-third of the challenging NTM cases reported by avocado exporters concern European packaging standards, which have three main requirements.

First, manufacturers must minimize the volume and weight of packaging to reduce waste, while ensuring the necessary levels of safety and hygiene. Second, packaging must be designed in a way to allow its reuse or recovery. In particular, packaging should be recyclable, compostable, biodegradable or recoverable in the form of energy recovery.¹⁶

Third, packaging must guarantee a minimum use of noxious or hazardous substances. For instance, substances such as cadmium, mercury, lead and hexavalent chromium cannot exceed 100 parts per million in the packaging.¹⁷

Beyond these basic conditions, the EU has specific packaging requirements for avocados. Cartons must have certain characteristics. Any print on them cannot come in contact with the fruit. It is compulsory to use 4kg single layer cardboard boxes, or occasionally 5.5kg single layer and 11kg double-layer cartons. Also, avocados should be packed in each container in accordance with the Recommended International Code of Practice for Packaging and Transport of Fresh Fruits and Vegetables (CAC/RCP 44-1995).

We are required to pack our avocado according to a specific standard set by the partner country. However, we do not have the resources to enable us to pack in accordance to the standards. At times, we cannot meet the conditions imposed by the buyer.

- Exporter of avocado

¹⁶ Energy recovery is a way to manage waste in packaging. To be classified as 'energy recoverable', packaging must generate more energy than that needed to drive the combustion process.

¹⁷ EUROPEAN (2006).

Finding cartons and boxes with these characteristics in the United Republic of Tanzania is challenging for exporters. One exporter mentioned that the corrugated carton used to package its EU-bound avocados is not available domestically and must always be imported, which increases costs and delays the shipments.

Tanzanian exporters also face difficulties with the packaging standards of the United Arab Emirates, which requires packaging material to be reusable or recyclable.

Some options are available for sourcing packaging materials in the United Republic of Tanzania. The Small Industries Development Organization, which has established a sustainable packaging centre, provides information to exporters on domestic packaging manufacturers.¹⁸ Thus, the survey results suggest that some exporters may not be fully informed about available facilities in the country.

Tanzanian packaging manufacturers also face challenges that may affect their sales to exporters. Packaging for agricultural exports usually must be tested and certified. Local manufacturers may not know how to comply with these requirements, so they cannot sell their packaging materials to agricultural exporters.

Good-quality packaging materials alone are not sufficient for international markets. Exporters must express a clear branding strategy through their packaging, for which they need the support of experienced packaging manufacturers.

Business associations from the avocado sector confirm this concern. For instance, one farmers' association noted that different partner country requirements make it even more difficult to comply with packaging standards. Another association said it wanted to train producers on branding, packaging and labelling, but lacked the capacity to reach all producers facing this issue.

Companies that include packaging in their sales and production strategies may be able to reduce the costs to adapt their packaging for new markets or find appropriate packaging, because they would have internalized the costs and needs of proper packaging materials from the start of the production process.

Some avocado producers cannot meet quality requirements

Around 11% of the difficulties relate to product quality and characteristic requirements. Avocados for export come from many different small farmers, so their quality may differ considerably.

Companies struggle to comply with the product characteristics required by partner countries due to inadequate farming methods, storage facilities and post-harvest processing. Lack of cold rooms at ports and airports and the poor handling of products at customs also jeopardize the quality of Tanzanian avocados.

Local farmers who lack sufficient facilities and information may be unable to satisfy the quality requirements for avocado. For instance, exporting to the European Union entails a series of product specifications.

Our buyers expect products to be of very high standards. Sometimes we are not able to meet the quality requirement as we source from many farmers who do not use modern methods of farming. This often leads to renegotiation and reduction of price of our products by the buyer.

Avocados must comply with the EU's general food law, which establishes basic requirements on food safety. The law prohibits the presence of microbiological contaminants in avocados such as listeria, salmonella or e-coli.

- Exporter of avocado

Avocados should also comply with hygiene requirements based on Hazard Analysis Critical Control Points, and the presence of heavy metal contaminants such as lead and cadmium must be limited. Plus, only bio additives can be used in avocados, and they should not be genetically modified.

¹⁸ <https://sido.go.tz/en/packaging-information>

Coffee

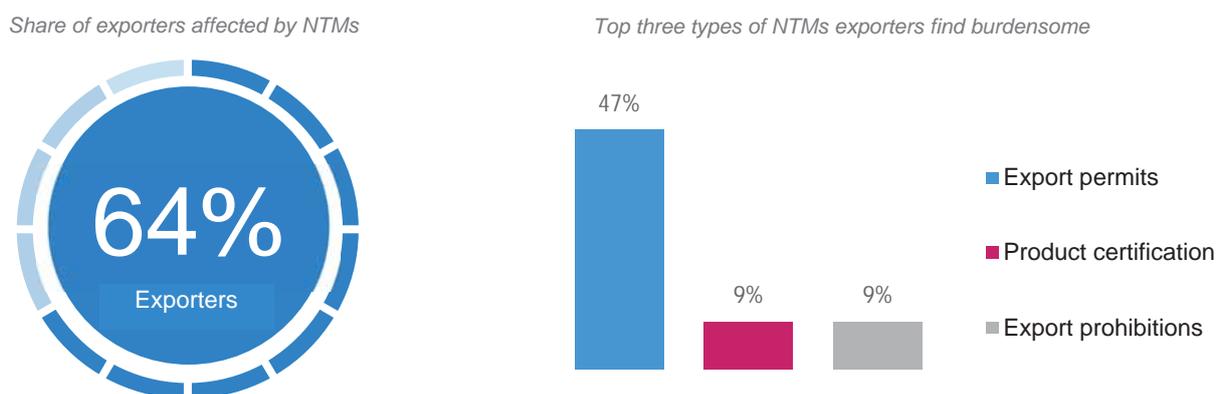
The United Republic of Tanzania is the fourth-largest coffee exporter in Africa after Ethiopia, Uganda and Kenya. Coffee is the second-biggest Tanzanian agricultural export, valued at \$148 million in 2018.¹⁹

The country still has untapped export potential of around \$91 million in coffee.²⁰ Exports to several key destinations, in particular Japan, Italy and the United States, already meet or exceed the potential. However, there are many opportunities to increase exports to other European markets, such as France, Switzerland, the Netherlands, Germany and Spain.



Despite the historically large values of coffee exports, 64% of Tanzanian coffee exporters face difficulties with NTMs when exporting.

Figure 13 Export permits are the top challenge for coffee exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Exporting Tanzanian coffee

The Tanzania Coffee Board regulates the domestic coffee market. Coffee can be exported through two channels. With the first channel, coffee producers sell to licensed exporters via national auctions that are held every Thursday during the coffee season, which usually lasts nine months. Only licensed exporters can sell coffee internationally. The licence to export coffee is valid for one financial year, beginning 1 July.

The second channel allows producers of premium coffee to export directly, bypassing the national auction. They can obtain a licence from the Tanzania Coffee Board to export directly if the coffee is proven to be high quality and uniquely prepared. This export licence is also valid for one financial year.

National auctions offer several advantages, including an effective ‘price discovery’ system that enables exporters to get accurate information about market prices. This may not be the case in a direct trade system based on private negotiations, as some SMEs and cooperatives lack the information and/or ability to set accurate market prices.

¹⁹ ITC Trade Map (2020).

²⁰ ITC (2020). *Tanzania’s trade in times of COVID-19: An analysis for the avocado, coffee, spices and tea sector.*

This mechanism also allows aggregation of supply and demand. National auctions source coffee from different farms and sell it jointly. This enables small producers to reach international markets, which would be impossible if they were to export coffee directly, given the small amount of their produce.

Coffee producers who export through the auction are also paid immediately after the auction ends. This benefits exporters with liquidity constraints, as they would have to wait 60–90 days to receive payment if they exported directly.

As auctions are only held in nine months, coffee export during non-auction months is difficult.

While the auction has brought important benefits for SMEs, some other aspects must be considered. Given that coffee is sourced from different soils and farms, auctions break the traceability chain of the product. This may be an obstacle for issuing certifications and complying with standards that require traceability information.

Only some businesses are licensed to export coffee directly. The exportation of coffee for my business has been redirected towards national auctions. If we could export directly, we would make higher profits.

- Exporter of coffee

Quality gaps can arise between the coffee samples received before an auction and the coffee that is purchased. Authorized agents receive samples to check coffee quality and characteristics, so they can make an informed bid. However, the sample usually represents a very small share of the total amount purchased, and coffee quality may vary quite a bit due to different suppliers and soils.

As a result, authorized agents may end up buying coffee with different characteristics than expected. While some degree of variability in the quality of coffee that is purchased can be expected, one exporter said the quality differed far more than anticipated. This affects exporters' credibility with foreign buyers and profit margins.

When we export our product to Europe, the buyer tests the consignment and finds out that some of the coffee does not come from the same farm. Therefore, they try to bargain and reduce the price. As we buy from different farmers, the quality of production varies.

- Exporter of coffee

Coffee auctions are held in different locations throughout the year, namely in Moshi, Mbinga and Songwe.²¹ While moving the auction location may benefit companies located in different parts of the country, business associations report that not all regions have appropriate infrastructure to conduct auctions. Furthermore, some authorized purchasers sometimes experience delays receiving the coffee purchased.

Some companies do not understand auction benefits

Auctions, in general, allow producers to get a fair market price for their produce based on the market demand. Indeed, auction prices are often the same or higher than international coffee prices. For instance, the average price of all coffee varieties sold during the December 2020 auction in Songwe was \$149.35 per kilogram. The average international coffee price that month was about \$125 per kilogram.²²

Yet many Tanzanian coffee producers are sceptical about the auction mechanism for exporting, as they believe their profit margin is affected. Exporters may not be properly informed about the benefits of participating in auctions.

²¹ <https://www.coffeeboard.or.tz/auctions/2020-2021/High%20and%20low%20Oct%2011%202020-21.pdf>

²² <https://www.ico.org/prices/p1-December2020.pdf>

Difficulties with Coffee and Farm Equity practices standard

Exporters complained about the Starbucks Coffee and Farmer Equity (CAFE) Practices certification required when exporting to Europe. CAFE Practices seeks to ensure that Starbucks sources sustainably grown and processed coffee by evaluating the economic, social and environmental aspects of coffee production.

While some business associations and organizations deliver training on how to comply with CAFE Practices, there is no Tanzanian body or agent to evaluate producers' compliance, according to the interviewed companies. Tanzanian producers rely on agents in Kenya to visit their coffee farms to evaluate compliance and grant certifications. Nairobi-based Africert is the only approved verification organization of CAFE Practices that can send inspectors to the United Republic of Tanzania.²³

CAFE Practices
CAFE Practices is a sustainability standard developed by Starbucks to promote sustainable coffee practices. It measures coffee farms on economic, social and environmental criteria.
The standard consists of more than 200 indicators in four areas: economic transparency, quality, social responsibility and environmental leadership. Third-party experts verify suppliers who participate.

Tanzanian producers must cover the accommodation, travel costs and fees of visiting agents, which can run from \$5,000 to \$8,000. Some producers cannot afford this expense.

European testing requirements seen as overly stringent

Some Tanzanian coffee exporters consider the testing requirements demanded by their European buyers to be too strict. Traders usually source coffee for export at auctions, so their consignments come from multiple farms with different soil and seed qualities. This means coffee quality can vary, even in the same shipment.

As a result, such consignments sometimes fail to meet the requirements for high quality during testing, and they must be sold at a lower price.

The EU has several quality-related requirements when importing coffee. Beyond the general food safety requirements applied to all agricultural products, coffee exporters must comply with the maximum residue level acceptable for coffee, as stated in regulation (EC) No 396/2005. The European Union also limits the presence of ochratoxin A in roasted and instant coffee.

Beyond these mandatory requirements, buyers often require compliance with some additional food safety parameters, which must be determined by testing.²⁴ These include testing on mycotoxin and microbial analysis, flavour analysis and moisture content, among others.

Many institutions are involved in the coffee trade

Coffee exporters say they have to deal with many different institutions to complete the export process. They must get documents from the Tanzania Coffee Board, including coffee licences and permits. They must then obtain a phytosanitary certificate from the Ministry of Agriculture, if required by their counterparts, and a certificate of radioactive analysis from TAEC. Local government authorities may also ask for additional permits when moving coffee to the port, even when the Tanzania Coffee Board has already issued a permit.

Exporters recognize some improvements in this area, mainly due to the digitalization of some of these requirements. Still, they regard the process as burdensome, as requirements are not centralized in a single authority and their objectives sometimes overlap.

²³ <https://www.scsglobalservices.com/certified-clients/starbucks-ethical-sourcing-approved-verification-organizations>. As of November 2020.

²⁴ EAC Quality Compass.

Tea

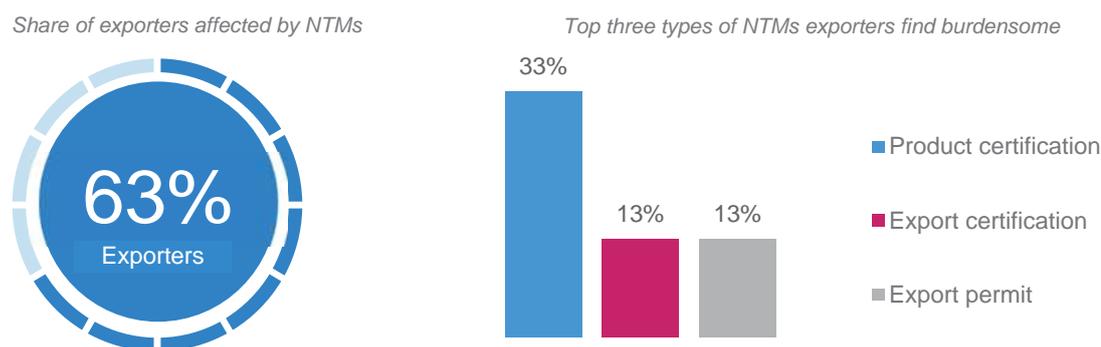
The United Republic of Tanzania is the fifth-largest African tea exporter, with \$45 million in exports in 2018.²⁵ Products such as black tea have an untapped export potential of another \$35 million.

Kenya, known for its blending and packaging capacities for exporting, has the largest untapped potential for Tanzanian bulk tea exports (40% of untapped potential worth \$14 million).²⁶ Other markets with high untapped potential are in Asia: China (\$2.9 million), Japan (\$2.9 million), Hong Kong SAR (\$2.5 million), Pakistan (\$2.3 million) and the United Arab Emirates (\$2.1 million). Germany is the most important market in the European Union, holding potential for Tanzanian tea worth an additional \$633,000.



About 63% of the tea exporters surveyed face NTM-related difficulties. Most of these issues involve product certifications and export permits and certifications.

Figure 14 Tea exporters struggle the most with certifications



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

The TBS quality mark is not internationally recognized

When exporting in the East African Community, tea exporters need a Tanzania Bureau of Standards 'quality mark', indicating that their products have been tested and comply with TBS Tanzanian standards.

Companies report two issues related to TBS certification. The TBS quality mark is not recognized outside the EAC. Exporters selling beyond the EAC market must opt for additional internationally recognized certificates that are more expensive and redundant, as they already have the TBS quality mark. Even when exporting to the EAC, sometimes officials at the border do not accept the TBS quality mark, and ask for a regional or international standard. This is deemed discriminatory and arbitrary.

Lack of information about international recognition of the TBS quality mark contributes to this difficulty. Some foreign markets recognize the TBS standards. However, companies may not be aware of this, and they are not familiar with the enquiry point at the TBS that can give them this information.

²⁵ ITC Trade Map (2019).

²⁶ ITC (2020). *Tanzania's trade in times of COVID-19: An analysis for the avocado, coffee, spices and tea sector.*

Exporters find radioactive analysis unnecessary and costly

The certificate of radioactive analysis issued by The Atomic Energy Commission is required to export tea and other agrifoods. Products must be analysed and screened to guarantee the absence of radioactive materials.

Tea exporters struggle with this certificate for various reasons. Companies usually have to wait for up to two weeks for the certificate to be issued, which increases their production costs. Farmers usually bear the costs of the certificate and end up with a lower profit margin.

Companies do not understand the reasoning behind the certificate and consider it unnecessary and redundant, as their buyers do not require it. Business associations share this concern, noting that this certification is not required elsewhere and that there is no clear rationale for it.

The Tanzania Atomic Energy Commission says the certification is necessary to protect consumers from radioactive hazards that can affect their health. According to TAEC, Tanzanian soil contains natural radioactive materials such as uranium, which justifies the need to protect the food chain from any radioactive hazard.

Certificate of radioactive analysis

The certificate of radioactive analysis is a requirement established in the 2002 Atomic Energy Act.

This certificate is required to export or import food that is distributed for human and animal consumption. To get the certificate, products must be analysed and screened by the Atomic Energy Commission to guarantee the absence of radioactive materials.

Due to the COVID-19 situation, the Tanzanian Atomic Energy Commission started issuing the certificate online, to avoid direct contact with clients. TAEC says this has reduced delays for companies that need the certificate.

We need a certificate of radioactive analysis for exports. For this, we send our samples to a lab in Dar es Salaam and the certificate is issued in Arusha. It takes about two weeks. The United Kingdom does not require this certificate, but we cannot export without it. It is also costly, as we have to get a certificate for each consignment.

- Exporter of tea

Obtaining export licences and permits is seen as a hassle

The Tea Board of Tanzania regulates tea exports. Exporters who manufacture, blend, pack and buy tea need an export licence from this corporate body. Companies that export processed tea need an additional export permit from the board.

Tea exporters find it unnecessary to require these permits and licences on top of other requirements such as the radioactive certificate and/or the phytosanitary certificate. It also entails delays and extra costs. Some exporters say they spend up to three days gathering all the permits and certificates necessary to export.

The 'Blueprint for Regulatory Reforms to Improve the Business Environment', a policy document issued by the Ministry of Industry and Trade in 2018, also notes redundancy vis-à-vis export permits and licences. The document raises the concerns of many agencies that regulate the tea industry about the current status quo – for instance, the fact that the Tea Board of Tanzania issues export permits while the ministry issues export licences.

The document calls for better coordination among different agencies and to centralize the mandates to reduce the number of administrative windows. In particular, it recommends that the tea board alone should issue all licences and permits.

Spices

Tanzanian spices²⁷ have an untapped export potential of \$23 million, largely driven by cloves, the main exported spice.²⁸ The potential is concentrated in three Asian markets: India, Indonesia and Singapore. Between 24% and 32% of this export potential remains untapped.

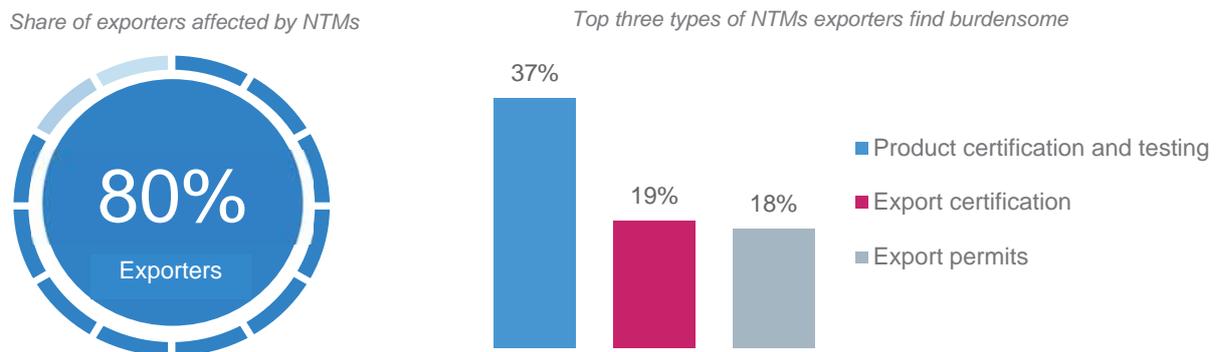
Other destinations with large export potential are the United Arab Emirates and the United States, in which 80% of export potential is still untapped. In Africa, Tanzanian spices exporters could explore the Nigerian market, which offers room to boost exports by \$1 million.

Opportunities for cloves in the European Union are negligible, due to low demand. Demand for other spices, such as pepper and ginger, is much larger than for cloves in the EU. An ITC study on the United Republic of Tanzania's export potential recommends that the sector diversify its export portfolio to include these products.

ITC interviewed 61 spice exporters on their difficulties with non-tariff measures. Most of these exporters (80%) experienced difficulties with various types of NTMs.



Figure 15 Spice certification and testing is troublesome for exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Tanzanian tests are not recognized abroad

Exporters of spices to the European Union must test their products. Although the Tanzania Bureau of Standards and other government agencies test spices, the European Union does not recognize these tests. This means products must be tested upon arrival, causing delays up to one month during the clearance process.

The Southern African Development Community Accreditation Services has accredited six TBS labs.²⁹ One of these is a food laboratory, but it offers limited services for agricultural products. None of the accredited TBS labs tests spices, so exporters must opt for private laboratories, which are usually more expensive.

²⁷ Appendix VII lists the individual products at the HS6 level included in the 'spices' category.

²⁸ ITC (2020). *Tanzania's trade in times of COVID-19: An analysis for the avocado, coffee, spices and tea sector*.

²⁹ <http://www.tbs.go.tz/index.php/pages/accredited-laboratory>

Spice standards: Still a work in progress

Challenges with spices standards in the United Republic of Tanzania are three-fold. First, while TBS has developed standards for some spices produced in the country, others – such as mixed spices – have no national standards. The availability of standards is very important for producers, as they contain information on the best production practices followed by the country and can facilitate the access of these goods to international markets.

Second, companies sometimes fail to meet national standards requirements, even when available. This may be due to a lack of information about standards, insufficient knowledge on how to adopt them or unwillingness to do so (as compliance with national standards is usually voluntary for exporters).

Third, TBS standards are often not recognized. As part of the EAC Standardisation, Quality Assurance, Metrology and Testing Act, members of the East African Community accept the national standards of other members, as quality marks are mandatory for intraregional trade. The EAC – with the support of the Market Access Upgrade Programme (MARKUP) – has also developed harmonized regional standards that firms can follow when, for instance, there are no national standards.

However, companies surveyed report that customs officials at EAC borders sometimes do not recognize TBS standards, and refuse or delay the entry of their consignments.

In addition, buyers outside the EAC often do not recognize national or regional standards as proof of quality compliance of Tanzanian products. Even importers in the EAC sometimes require their suppliers to comply with internationally recognized standards, such as the International Organization for Standardization (ISO), as they may not rely on national or regional standards.

Thus, Tanzanian companies may have to comply with different standards according to their destination markets. This may be burdensome, particularly if the standards' specification varies significantly.

Standards bureau is still adjusting to its new role

The role of issuing permits, certificates and licences to food and crop producers was transferred from the former Tanzania Food and Drugs Authority (TFDA) to the Tanzania Bureau of Standards in July 2019. While most companies and business associations lauded this change, TBS is still working to adjust to its new role and provide efficient services. Some exporters reported waiting more than a month for business permits and product registrations that TFDA previously issued.

Farmers struggles to meet high-quality characteristics

Exporters acknowledge that the spices they export sometimes fail to meet the quality requirements demanded by international buyers. This issue arises at the farmer level, as farmers may not have the proper infrastructure for the harvesting and post-harvesting processes, or the know-how to grow a good-quality product.

For instance, companies reported that spices sometimes fail to achieve the dryness level required by foreign buyers, as drying methods used by farmers do not always correspond to the best practices internationally. Farmers often crack the product to test its moisture level, though this process should be done by specialized machines that can accurately determine the dryness levels of the spices.

Packaging and branding are a major challenge

Spice exporters face major challenges in terms of packaging and branding. Interviewed companies said the packaging requirements of destination countries are very strict. They say proper packaging materials are not available in the country; they usually tear apart and do not protect the spices during the shipment. Exporters have to import or manufacture their packaging, which increases their production costs.

Even if we have our products tested by the TBS and the government chemists, it is tested when it arrives in Europe. A microbiology test is conducted to check for bacteria and maximum residue levels.

Products could be tested before arrival by an accredited laboratory, but there are none in Tanzania for agriculture products. The clearance process takes up to a month due to the testing. Therefore, payment can be delayed up to six or seven months.

- Exporter of spices

Members of business associations say packaging should be integrated with branding strategies so Tanzanian spices can successfully enter international markets. Spice exporters usually do not brand their products adequately, according to associations. As a result, Tanzanian spices are usually exported to neighbouring Kenya, where they are repackaged, rebranded and exported to international markets.

Horticulture

Exports of Tanzanian horticultural³⁰ products, led by dried pigeon peas and dried leguminous vegetables, were valued at \$10 million in 2018.³¹ Tanzanian fruits and vegetables have an export potential of \$22 million.³²

Trade regulations greatly affect horticultural exporters – 71% of those interviewed face obstacles.

Certificates of radioactivity analysis face delays

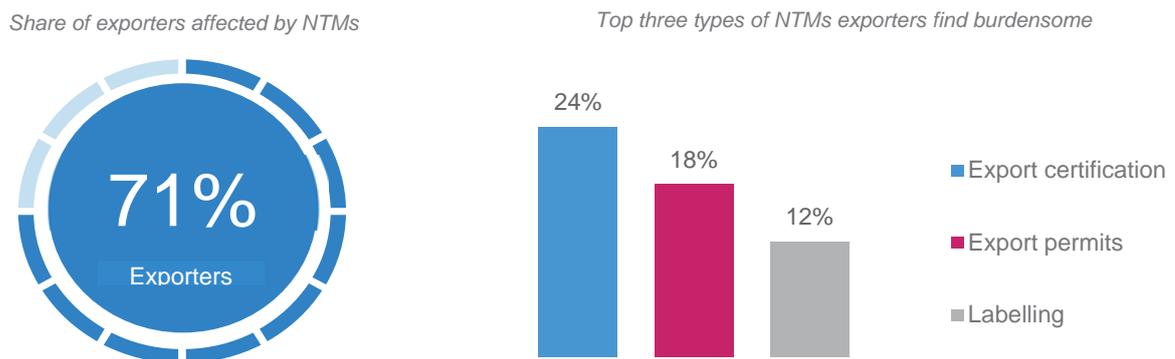
Horticultural exporters must have a certificate of radioactivity analysis issued by TAEC. The certificate verifies that exported products are free from artificial radioactive material and are therefore fit for human consumption. Obtaining the certificate, which can be issued in any of TAEC’s six branches, normally takes two to five days.³³ Horticultural exporters, however, say they have experienced delays of up to 10 days.



To export, we need to have a number of documents ready, including the certificate of radioactivity analysis. It can take 7 to 10 days to get this certificate.

- Exporter of dried banana

Figure 16 Export certifications and permits hinder horticulture exporters



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Neighbour countries’ labelling requirements are tough

Tanzanian exporters of horticultural products find it difficult to comply with the labelling requirements of neighbouring countries in the EAC. Surveyed companies say Tanzanian labels often do not satisfy international quality requirements. Good labelling suppliers are often expensive, especially for small firms.

For instance, labelling of vegetables shipped to Kenya must be in English and Swahili, indicate the manufacture and expiration dates, the manufacturer’s name, the brand name and the country of origin.

Proper labelling of vegetables is required for exports. They must be good quality and have all the necessary information. Labels made in [United Republic of] Tanzania are usually of low standards. Better quality is often very expensive for SMEs like ours.

- Exporter of processed vegetables

³⁰ Appendix VII lists the individual products at the HS6 level included in the ‘horticulture’ category.

³¹ ITC Trade Map.

³² Export Potential Map (2020).

³³ <https://trade.business.go.tz/procedure/54/step/588?l=en&embed=true&includeSearch=false>

Horticulture packaging requirements are difficult to satisfy

Packaging requirements are challenging for Tanzanian horticultural exporters. Similar to the case of avocados, packaging materials for horticultural products are not easily found in the local market. Most is imported, which is costly. Even if locally found, 'food grade' packaging accepted in international markets is costly for SMEs. Recognized institutions must test this type of packaging and certify that it is good quality, which increases production costs.

Exporters could reduce packaging costs by combining their purchases in a single bulk purchase, especially as some suppliers only sell packaging materials in bulk, which is not cost-effective for small exporters. To do this, companies need to overcome coordination and information failures.

Other agricultural products

Non-tariff measures affect 80% of other Tanzanian agricultural products. More than a third of the reported cases relate to domestic regulations.

Export permits are redundant

These exporters faced difficulties obtaining export permits. Like exporters of other agrifoods, their main challenges are the numerous permits required and the overlapping functions of organizations.

For example, a cashew nut exporter must obtain an export permit from the Cashew Nut Board as well as a product certificate issued by the Ministry of Agriculture. This process takes a lot of time, as these organizations are located in different cities, and businesses must travel to each of them to get the permits. Companies also say information about which permits are required is not well disseminated.

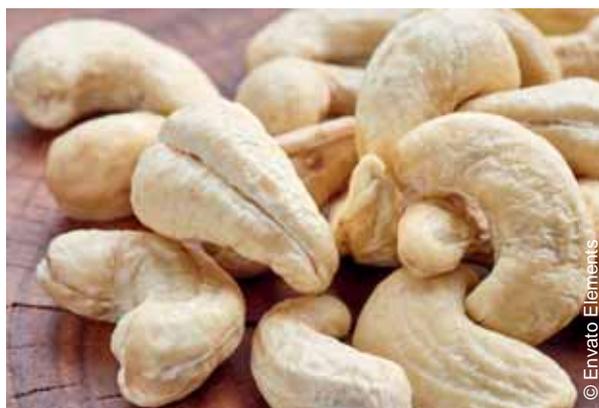
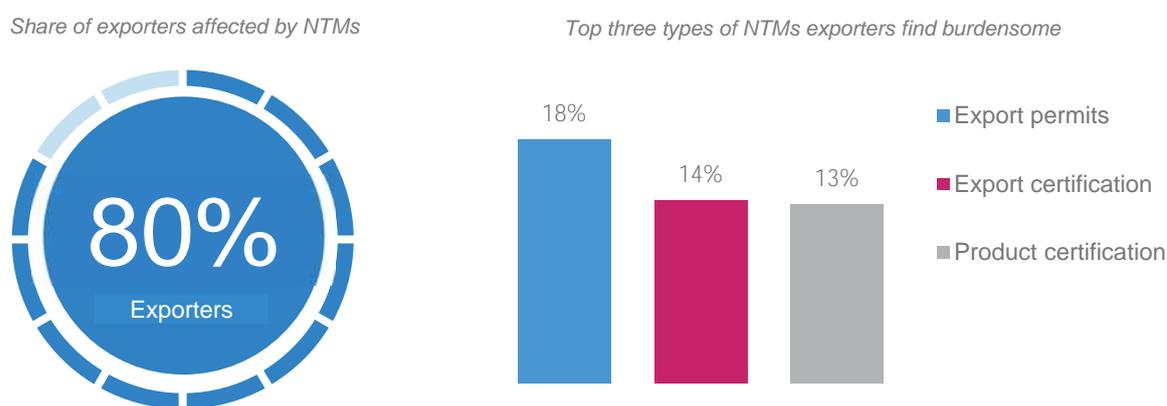


Figure 17 Non-tariff barriers also restrict exporters of other agrifoods



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Cashew nut auctions are restrictive

The United Republic of Tanzania is the world's No. 2 exporter of cashew nuts, valued at \$107 million in 2018. The nuts are the most exported Tanzanian cash crop, representing 8% of total exports in agriculture.³⁴

Cashews are traded through an auction system, where only licensed bidders can buy and export the nuts. Exporters who buy cashew nuts this way said they were unable to verify product quality properly through the auction process. Some companies reported that their reputations had suffered because the nuts they bought at the auction were low quality.

Other exporters said they were unable to participate in the auction. The Government set a minimum bidding price in the 2018 auction, and some companies could not afford to buy the quantities of cashews they needed. Only wealthy bidders could afford the nuts, reducing the number of authorized cashew exporters.

Tanzanian halal certificates are not valid

Meat exporters complain that the halal certificate issued in the United Republic of Tanzania is not accepted abroad. There is only one halal-certified Tanzanian butchery, in Dodoma, and the authorities in the United Arab Emirates removed its certification, according to one surveyed company. As a result, the company can no longer export, as the agency that issued the certificate does not recognize another butchery.

Product characteristics are not up to standard

Some exporters of horticultural products find it difficult to comply with the product characteristics required by international markets. For instance, one rice exporter said its food processing equipment was not up to standard, which meant it was not possible to deliver grade A rice to its partners abroad.

A business association noted that even though the country has a national rice development strategy, actors along the rice value chain lack knowledge about standards and quality management.

A company that exports cashews to India and Viet Nam – the top two markets with greatest export potential for the nuts – said poor post-harvest handling facilities and inadequate storage infrastructure led to lower quality. Exporters of horticultural products report a lack of useful information on how to improve their production methods. A pigeon pea exporter noted that India has banned imports of Tanzanian pigeon peas because the product does not meet quality requirements.

³⁴ ITC Trade Map (2021).

Manufacturing export challenges

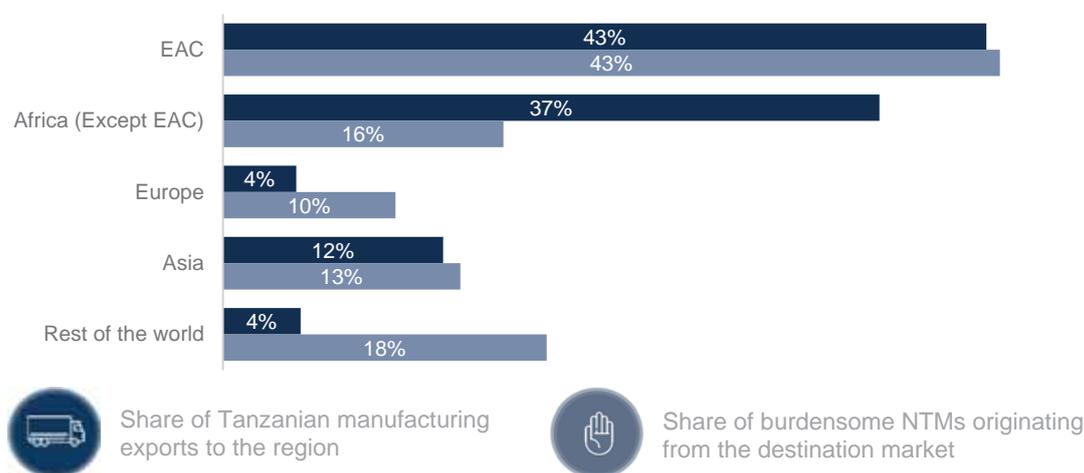
The Tanzanian manufacturing sector has gained relevance over the last two decades. While it represented just 16% of gross domestic product in 1990, that share increased to 25% in 2018 – even though the sector employs only 6.8% of the labor force.³⁵ Exports of manufactured goods were worth \$744 million in 2018, led by cotton, machinery and paper articles.

The survey found that 57% of manufacturing exporters face difficulties. While this is less than the 76% rate of agricultural exporters, it is very heterogeneous across subsectors. Exporters of basic manufactures, chemicals and leather products are highly affected, while exporters of yarn, fabrics and textiles, miscellaneous manufacturing and non-electric machinery face fewer issues.

Most difficulties involve regional exports

Members of the EAC – the largest market for Tanzanian manufactured goods – apply the highest share of burdensome non-tariff measures, the survey found. Difficulties with European regulations is disproportionately high (10%) given that European countries import just 4% of Tanzanian manufactured exports.

Figure 18 Largest share of troublesome manufacturing rules are African



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Domestic regulations create barriers for manufacturing exporters

Exporters of manufactured products find it difficult to comply with domestic regulations. Most issues result from procedures associated with the regulations, rather than the regulations themselves. Companies face delays with export-related measures, as well as administrative burdens linked to the regulations.

Obtaining export permits can involve delays

Exporters of timber-based products need a permit from the Ministry of Natural Resources and Tourism. The system that issues the export permit sometimes does not work, which can cause delays. Companies also report insufficient staff and resources to issue the permit. A basket exporter said the ministry once ran out of paper permit books and was unable to deliver the permit on time.

The Government Chemist Laboratory Authority is responsible for issuing permits to exporters of chemical products, but this often involves delays. Although the permit can be issued online and should take less than 24 hours, the website sometimes stops working. One surveyed company reported a three-day delay before its permit was issued.

³⁵ World Development Indicators, World Bank (2019).

Technical issues and delays are common at borders

Manufacturing companies reported inefficient export clearance processes at Tanzanian borders. One company complained that Tanzania Revenue Authority officials at the Zambian border were reluctant to accept computer-based receipts, leading to unnecessary delays. Another exporter said the authority's network system at the Kenyan border usually has technical issues, delaying the clearance process.

Uncertainty about obtaining certificates of origin

Exporters expressed difficulties with rules of origin and associated certificates of origin – which make up 13% of the reported cases. They find the waiting time to get the certificates from the Tanzanian Chamber of Commerce to be long.

Exporters also say they are not well informed about regulatory changes. For instance, some were unaware that they had to use the REX system for certificates of origin when exporting to Europe. Over time, the system should be more efficient for the export process. Better communication with exporters, especially new ones, on using the new system should enhance the export process significantly.

In addition, exporters face some issues regarding recognition of the certificate of origin at the customs of EAC partner countries. In some cases, Kenyan officials questioned the validity of the certificate and its signature, requiring companies to submit extra documents for verification.

Pre-inspection constraints for exporters

The goods of exporters of manufactured products must usually be inspected. While partner countries would accept a pre-shipment check in the United Republic of Tanzania, companies say the country does not have the required facilities or staff for these kinds of inspections. Exporters must opt for inspections at the entry of the destination countries, which usually entails delays of up to seven days in the clearance process.

The EU changed the certificate of origin documentation system. They now use the Registered Exporter system. However, we exported our products without this knowledge. The Tanzania Chamber of Commerce failed to inform Tanzanian companies of this change. It took a very long time to rectify the mistake.

- Exporter of wood products

[The United Republic of] Tanzania does not have the necessary equipment to perform the required inspection. So we have to rely on Kenya's bureau of standards for inspection every time we export to Kenya.

- Exporter of construction chemicals

Table 4 Which non-tariff measures are onerous and why?

Number of cases reported for each measure type and the reason it is burdensome				Procedures that make the measure difficult and where they occur			
NTM type	Measures are strict	Due to procedural obstacles	Both NTM and procedures	Type of procedural obstacles faced	Domestic	Partner or transit country	Total
Technical requirements	4	3	13	Large number of different documents		3	3
				Delay related to reported regulation		3	3
				Limited/inappropriate facilities	13		13
				Other procedural obstacles, please specify		1	1
Conformity assessment	1	34		Large number of different documents		4	4
				Numerous administrative windows	6		6
				Arbitrary behaviour of officials		2	2
				Delay related to reported regulation	6	9	15
				High fees and charges	3		3
				Informal payment		2	2
				Limited/inappropriate facilities	6		6
				Problems with international recognition	4	1	5
Pre-shipment inspection and border clearance		10		Arbitrary behaviour of officials		4	4
				Delay related to reported regulation	4	6	10
				High fees and charges	4	1	5
Rules of origin and related certificate of origin	1	18		Numerous administrative windows	5		5
				No due notice for changes in selected regulation	8		8
				Delay related to reported regulation	3	2	5
				High fees and charges		2	2
Export-related measures	7	51	3	Problems with documentation	7		7
				Numerous administrative windows	16		16
				Information on selected regulation is not adequately published	2		2
				No due notice for changes in selected regulation	1		1
				Selected regulation changes frequently	1		1
				Requirements and processes differ from information published	1		1
				Arbitrary behaviour of officials	4		4
				Delay related to reported regulation	47		47
				Deadlines set to complete requirements are too short	2		2
				High fees and charges	8		8
				Informal payment	1		1
				Limited/inappropriate facilities	7		7
				Other procedural obstacles	4		4
Total	13	116	16		163	40	203

Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Challenges for certifications issued in Zanzibar

Companies based in Zanzibar say no partner countries – including EAC member states – recognize product certifications issued by Zanzibari authorities. A shampoo exporter said getting a certification from the Tanzania Bureau of Standards can cost up to 15% of the product value, while the same certification from the Zanzibar Bureau of Standards is much lower, but not recognized in any partner country.

In fact, TBS is the country focal point in terms of standards with other international organizations. The Zanzibar Bureau of Standards was established under the Zanzibar Standard Act No.1 of 2011. The bureau operates only in the islands and its certification or standards are not yet recognized either on the Tanzanian mainland or EAC country states. Also, conformity assessments such as inspection, testing and certification are not recognized outside of Zanzibar.

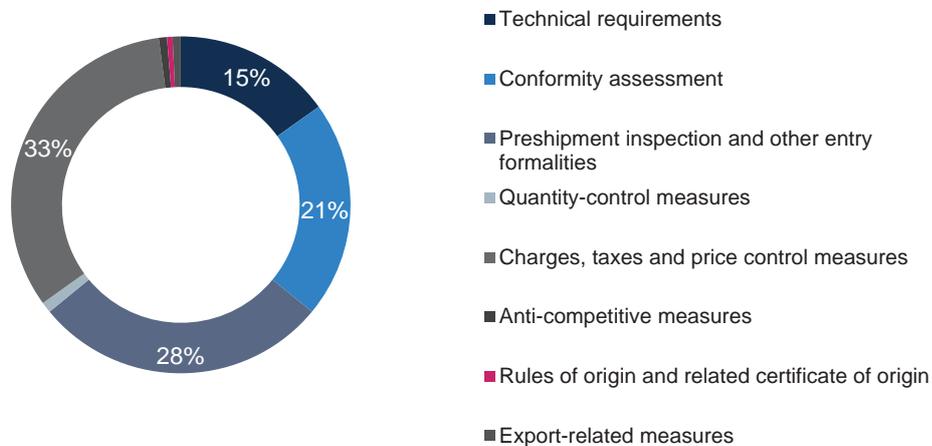
Some companies find fumigation requirements too strict

The fumigation requirements of some countries are deemed too strict and expensive, hindering compliance. Exporters of wicker products find the requirements of Japan, New Zealand and Australia in particular to be very specific and strict. Only large fumigation service providers in the United Republic of Tanzania can do the necessary treatments as specified by the partner countries – and they tend to be costly.

Importers struggle with charges, taxes and price controls

Tanzanian importers reported difficulties with both technical and non-technical measures. Most of the burdensome non-tariff measures reported by importers involve charges, taxes and price control measures. Pre-shipment inspections and other entry formalities also presented challenges. However, 36% of the cases refer to both technical requirements and conformity assessments.

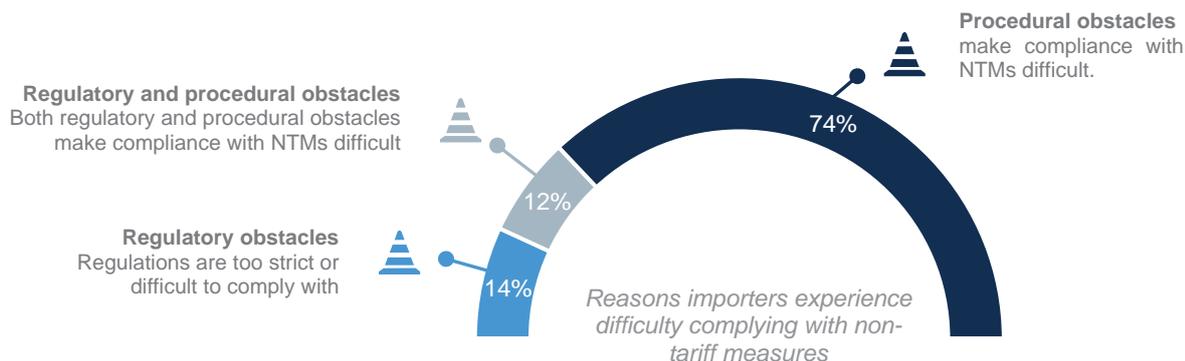
Figure 19 Charges, taxes and price controls are the top obstacles



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Like exporters, importers say their biggest difficulties relate to the procedures they must follow to comply with regulations, rather than the regulations themselves. The most common obstacles reported by importers involve delays, high fees and charges, and arbitrary behaviour of officials, most of which occur in the United Republic of Tanzania.

Figure 20 Procedural obstacles are the main hurdle for importers



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Figure 21 Domestic delays and high fees obstruct Tanzanian importers



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Pre-shipment inspection can take a lot of time and money

Importers report delays with product inspections. One food importer said the exporting country inspects goods, as required by the United Republic of Tanzania, but the process is inefficient and expensive. The entire shipping process takes at least three months, because the imported products have different HS codes and each one is inspected separately.

The Tanzania Bureau of Standards’ Preshipment Verification of Conformity (PVoC) programme controls some regulated imports to meet Tanzanian quality requirements. TBS authorizes foreign institutions to implement the programme, which involves physical inspections and control testing in some cases.

Not all imports must be inspected within the PvoC programme. However, importers report confusion and misinformation about which products are subject to checks. One company reported that some of its imports did not require pre-shipment inspection, according to the information they received. Once the products arrived, though, Tanzanian authorities imposed penalties for missing the inspection. They also tested the products that were not inspected and took a large amount as a sample.

Valuation of products by Tanzanian customs deemed unfair

Several importers complained about Tanzanian customs valuations, saying the Tanzania Revenue Authority assesses the value of imported products unfairly. They say the authority does not accept invoice values and overvalues their goods. Companies end up paying more duties than expected, affecting their profits. Some importers have appealed the authority's decision, a process that can take up to two weeks.

Many institutions are involved at the border inspections

Inspections upon arrival take a lot of time and involve several different institutions, importers reported. As a result, products are sometimes damaged or they become rotten if they are perishable. Companies also need to pay storage costs during the process, which can take up to a month, according to surveyed companies.

CHAPTER 2 PUBLIC SECTOR AND BUSINESS ASSOCIATION INSIGHTS



To complement the insights of exporters and importers, the NTM Business Survey engaged with stakeholders from the Tanzanian public sector and business associations. Discussions were held with representatives from 21 public agencies and 34 business associations³⁶ to document initiatives they have taken to streamline trade regulations and procedures and to help businesses tackle NTM-related hurdles.

Perspectives of public agencies

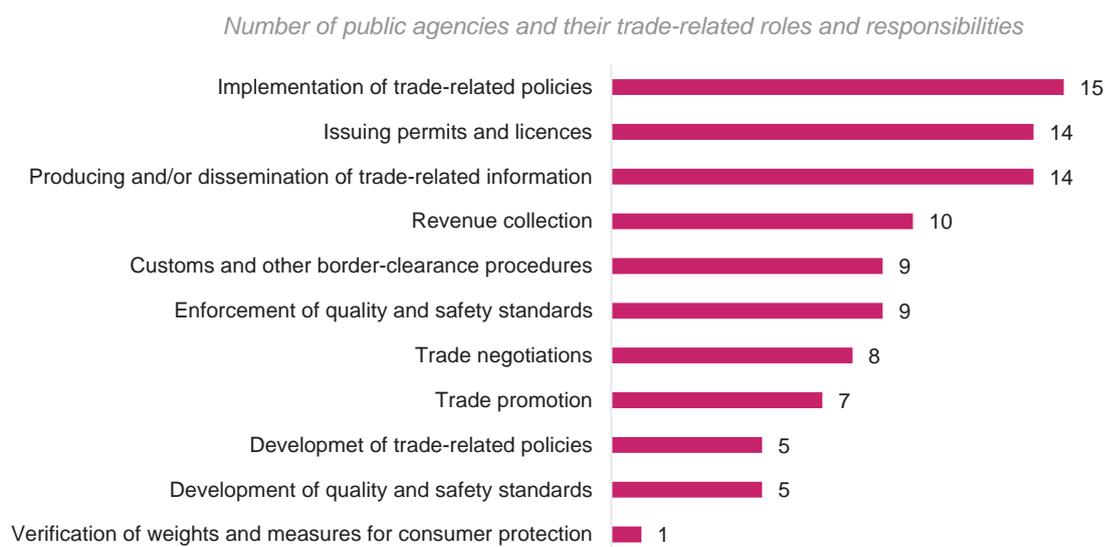
Understanding and resolving the concerns of traders

The public agencies that were interviewed have different trade-related responsibilities. On average, each agency has five trade-related tasks. Fifteen are involved in implementing trade-related policies and 14 are involved in issuing export permits or licences. Ten agencies are involved in collecting duties and taxes on exports or imports.

All 21 agencies say they are fairly well informed (90%) or very well informed (10%) about the problems that non-tariff barriers and other trade hurdles cause for Tanzanian exporters and importers. Most of the agencies receive inputs from local firms via news media channels, stakeholder meetings and complaints desks, as well as direct interaction with public officials, websites, workshops and training, and customer surveys.

³⁶ See Annex VIII for full list of public agencies and business associations interviewed.

Figure 22 Public agencies have varied trade-related roles and duties

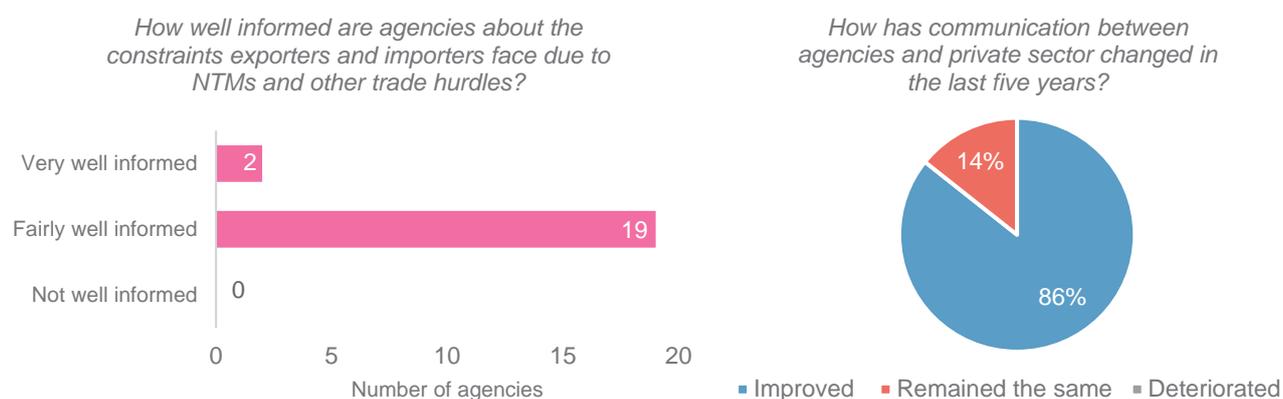


Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Institutions including the Ministry of Agriculture have dedicated systems that enable information exchange with clients. The ministry's system, the Agriculture Trade Management Information System, is also used for plant product permit applications. The Ministry of Industry and Trade ministry receives inputs through non-tariff barrier focal points, an online reporting mechanism, SME notifications, seminars and workshops.

Generally, agencies believe the information they receive directly is effective and reliable. However, many find that information received from news media is not very reliable and requires their own investigation.

Figure 23 Public agencies believe they understand traders' concerns



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Eighteen of the 21 agencies (86%) believe their communication with the private sector has improved in the last five years. Increased use of communications technology has helped most agencies enhance their interaction with the private sector. Public–private partnership schemes have also helped in some agencies. More media engagements, training and awareness campaigns, and better cooperation with ministries, departments and agencies have also improved communication.

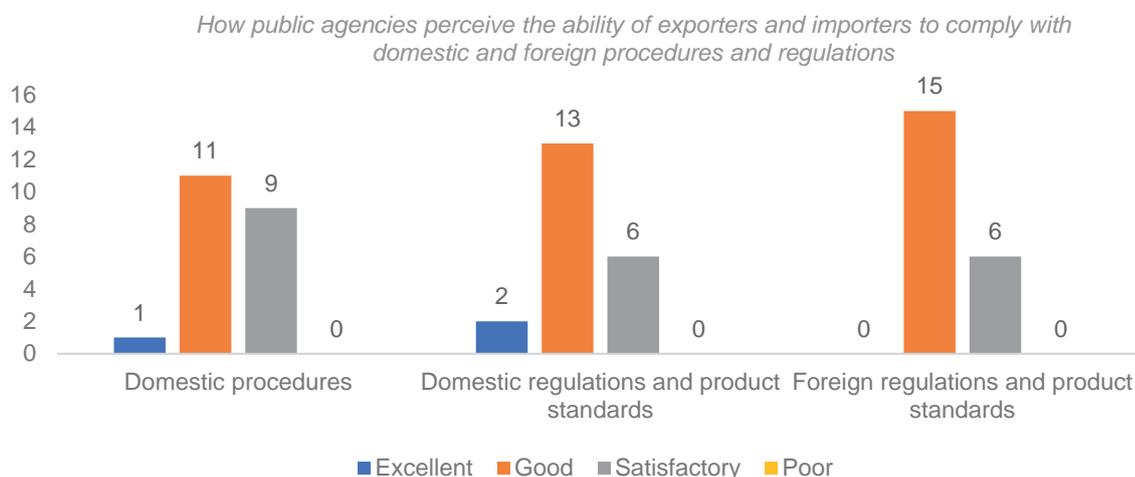
Agencies say firms can engage in cross-border trade

Roughly half (52%) of the agencies believe Tanzanian exporters and importers to be good in terms of complying with domestic procedures and another 43% rate their ability to do so as satisfactory. Some institutions noted that fewer consignments were rejected at the country’s customs point, saying this is proof that more traders can comply with domestic procedures. However, several agencies said improvement was needed as they still receive many requests from traders unsure of what procedures to follow.

Traders can comply with domestic regulations and product standards better than procedures, according to the interviewed agencies. Most (62%) say traders are good at complying and 9% say their ability to comply is excellent. Improved compliance with domestic regulations and product standards has improved market access in Southern African Development Community and EAC markets, according to some agencies. However, they said importers sometimes deliberately misclassify their goods or underinvoice.

Most of the agencies (71%) rate the ability of traders to comply with foreign regulations as good and the remaining 29% rate it satisfactory.

Figure 24 Agencies say traders can satisfy domestic and foreign rules



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

How do institutions facilitate trade and help traders tackle barriers?

Most of the surveyed public agencies have organized and participated in workshops and policy dialogues to create common understanding about procedures and address those that block trade. Some provide tax education programmes on broadcasting channels and at business forums to discuss and resolve procedural obstacles on the topic.

Most agency interventions seek to improve and streamline domestic procedures to address the exporter difficulties (see Chapter 3). Almost half of these difficulties concern Tanzanian regulations, especially what exporters consider as tedious or unnecessary domestic procedures. These include multiple documentation requirements, delays and the involvement of multiple institutions for similar tasks.

Table 5 What are agencies doing to support exporters?

Name of the agency		Interventions to help exporters tackle NTM-related hurdles
Business registration and licensing agency	●	Introduced an electronic filing systems and merged systems of different institutions to reduce the time required for traders to formalize businesses.
	●	Introduced an online system for business registration, trademarks and service, and the online issuance of industrial and business licences.
	●	Dissemination of information on requirements to formalize businesses through web portals and programmes to create awareness.
Ministry of Agriculture	●	Provides on-site consultations and training for growers and inspects field areas, packing houses and production sites.
	●	Supports market access for plant and plant products to other countries by enabling compliance with international requirements.
Ministry of Finance and Planning	●	Improved awareness on the availability and quality of services offered by the ministry.
	●	Prepares and implements tax and policy obligations, provides legal advice to ministries, departments and agencies and the private sector. Holds information advocacy dialogues with stakeholders, provides timely monetary and fiscal information.
	●	Targets good policy and a better environment to do business, so burdensome non-tariff measures are addressed by these guidelines and policies, in corroboration with ministries, departments and agencies.
Ministry of Industry and Trade	●	Trains various institutions how to develop and adopt measures that do not become non-tariff barriers.
	●	Removed fees and charges that constitute unnecessary procedures and administrative restrictions that curb the free movement of goods and services.
	● ●	Helps companies build capacity and form associations.
Ministry of Livestock and Fisheries – (fisheries and livestock divisions)	●	Uses electronic system to issue permits and payments.
	● ● ●	Conducts regular meetings with stakeholders.
	● ●	Invests in livestock infrastructure.
Ministry of Trade and Industry – Zanzibar	● ●	Collects and discusses complaints from the business community, offering evidence to the relevant authorities. Matters are resolved through discussions with the authorized committee.
	●	Trains stakeholders on understanding international requirements and product standards.
Occupation safety and health authority (OSHA)	● ●	Uses information and communications technology for online registration and the inspection system.
	●	Reduced the number of days to obtain OSHA compliance licence from 28 days to 3 days.
	●	Reduced number of days to obtain registration certificates from 14 days to 1 day.
	●	Has a special customer care office to tackle trader hurdles. Its client service charter also includes a complaints form and customer feedback.
Tanzania Medicine and Medical Devices Authority	●	Educates stakeholders and shares accurate and reliable information on regulatory matters with them and the general public.
	● ●	Organizes training and seminars on domestic and foreign requirements and product standards.
	●	Inspects manufacturing industries and business premises dealing with regulated products and makes sure the required standards are attained.
	● ●	Evaluates and registers medicines, medical devices and diagnostics to ensure they meet the required standards.
Tanzania Atomic Energy Commission	●	Reviewed its regulation on fees and charges and has proposed changes to remove or reduce burdens on small businesses.
	●	Tries to accelerate screening and analysis procedures by opening of 27 border offices across the country. This satisfies government requirements to bring services close to normal citizens.
	●	Adheres to International Atomic Energy Agency standards for atomic issues related to food and fertilizers. The standards have common targets to reduce delays in issuing certificates.
Tanzania Bureau of Standards	●	Implemented the Financial Act No. 8 of 2019, where some mandates on food and cosmetics were transferred to the TBS from the former Tanzania Food and Drugs Authority. This is in line with the blueprint on regulatory reforms in the United Republic of Tanzania.
	●	Some fees that businesses said were duplicates were removed through the Financial Act 2019 (e.g. TBS certification mark application fee, TBS mark grantee, TBS mark licence grantee, application fee for batch certification of imported goods, application form fee, fee to inspect imported goods/consignments, some fees to calibrate equipment based on industrial metrology).
	●	Transferred some mandates to the Tanzania Medicine and Medical Devices Authority.

Name of the agency		Interventions to help exporters tackle NTM-related hurdles
	<ul style="list-style-type: none"> ● Amended the procedures for implementing the Financial Act 2019. ● Makes recommendation to the government on organizational changes to smooth TBS management. ● Adjusted its own regulations and procedures to accommodate the international best practice of World Trade Organization (WTO) in TBT and SPS issues ● TFDA food experts were transferred to TBS. 	
Tanzania Official Seed Certification Institute	<ul style="list-style-type: none"> ● Advises the government on policies and regulations. ●● Trains technical staff in issues related with international trade. ● Has a strong seed-quality assurance system. ● Maintains memberships for Organisation for Economic Co-operation and Development Seed Schemes and tests for International Seed Testing Association accreditation at own laboratory. 	
Tanzania Port Authority	<ul style="list-style-type: none"> ● Organized forums to resolve NTM-related obstacles that traders face. ● Participates in trade fairs to meet traders and address their trade hurdles. ●● Organizes forums and stakeholder meetings, in collaboration with authority agencies, to discuss trade-related issues and resolve NTM-related hurdles. 	
Tanzania Revenue Authority	<ul style="list-style-type: none"> ● Participates in workshops and policy dialogues to create common understanding on procedures, with a view to facilitate trade by addressing procedural obstacles. ● Offers education programmes on taxes on broadcasting channels and in business forums. ●● Regarding rules of origin, the authority has been training forwarding agents, so there are fewer cases of businesses missing documents or having products that do not qualify for preferential treatment. ● Meets with agents and importers/exporters to discuss traceability requirements, customs procedures and international best practices. The meetings help identify procedural problems and other non-tariff barriers, and clarify why certain requirements are applied. 	
Tanzania Trade Development Authority	<ul style="list-style-type: none"> ●● Helps SMEs build capacity to better understand non-tariff barriers. ●● Helps companies build capacity and form associations. 	
The Government Chemist Laboratory	<ul style="list-style-type: none"> ●●● Reviewed the Industrial and Consumers Chemicals (Management and Control) Act No. 3 of 2003 and proposed amending some provisions to facilitate trade. 	
Weight and Measurement Agency	<ul style="list-style-type: none"> ● Has a customer care desk and a call centre to hear complaints. ● Conducts a field performance survey and annual quality inspections to ensure that requirements and product standards are met. 	
Zanzibar Bureau of Standards	<ul style="list-style-type: none"> ● Has a customer care desk to hear concerns about domestic procedures. 	
Zanzibar Food and Drugs Authority	<ul style="list-style-type: none"> ● Has an inspection team that works with the Zanzibar Bureau of Standards to reduce trade barriers. ● Its online system helps to speed up permit issuance. ●● Department of registration and evaluation of products ensure that products meet domestic and foreign market requirements. 	
Zanzibar Port Authority	<ul style="list-style-type: none"> ● Helps traders understand and comply with domestic procedures. ● Provides training and technical assistance to traders who are struggling with domestic requirements and product standards. 	
Zanzibar Revenue Board	<ul style="list-style-type: none"> ● Participates in trade negotiations with other institutions, traders and stakeholders. ● Strengthened cooperation with other revenue authorities. ● Helps formulate trade policy. 	

● Related to domestic procedures
 ● Related to domestic requirements and product standards
 ● Related to foreign requirements and product standards
 ● Other issues

Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Public agencies have their own constraints

Tanzanian public agencies have improved their services to the private sector. Still, they face constraints that hamper their efforts to support exporters and importers. Many institutions report that budget limitations make it difficult for them to finance some projects to facilitate trade and help traders.

Most agencies also grapple with poor staffing levels, which means higher workloads for current staff and difficulty filling certain roles or posts. For instance, TAEC can cover only 25 of its 57 border posts. A lack of highly skilled personnel means the Zanzibar Bureau of Standards and the Government Chemist Laboratory Authority cannot carry out duties such as analysis and inspections. In general, institutions also don't have enough skilled people to run specialized equipment for testing.

Furthermore, agency representatives say inconsistent on-the-job training means workers are unable to gain new skills and knowledge.

Infrastructural issues such as inadequate testing facilities make it hard for agencies to provide good services to the private sector. This problem affects traders who are struggling with Tanzanian conformity assessment procedures. Shortages of modern equipment to test samples, for instance, lead to service delivery delays.

The Tanzania Medicine and Medical Devices Authority mentioned a lack of harmonized good manufacturing practice requirements and inspection procedures among national medicines regulatory authorities in importing and exporting countries in the region.

Impact of COVID-19 on public institutions

COVID-19 has had little impact on the operations of public agencies and services delivery to the private sector, according to interview institutions. This is because most agencies deployed business continuity plans that allow staff to self-distance while working and have provided personal protective equipment, hand sanitizer, hand-washing facilities and face masks. Additionally, they use all available channels of communication, including social media, to keep staff informed about COVID-19.

Still, the Tanzania Trade Development Authority reported a decline in the number of exhibitors at the 44th Dar es Salaam International Trade Fair in July 2020 due to COVID-19.

Tanzanian borders and airports have remained open to passenger traffic and cargo during the pandemic but are subject to COVID-19 tests. Trucks are monitored through the Regional Electronic Cargo Tracking System to prevent drivers from mixing with the population. Business executives have been asked to use online platforms to manage client inquiries, along with internet-based revenue gateway systems.

Impact of global health emergencies on exporters and importers

Tanzanian traders have felt the impact of global health emergencies due to COVID-19. The number of maritime containers at import and transshipment has dropped and most factories in origin countries closed amid government contingency measures urging people not to gather. As a result, import volumes declined.

Agencies act to tackle COVID-19

Most Tanzanian institutions have adopted measures to deal with the pandemic. These include using online systems for certification and permits, and releasing staff to join the national task force to monitor cases and the effect of COVID-19 on the country, including trade flows.

The Ministry of Finance and Planning also granted duty remission at 0% for one year on raw materials used by domestic manufacturers of items used to diagnose, prevent, treat and manage COVID-19 – such as masks, sanitizers, ventilators and personal protective equipment.

Perspectives of private sector business associations

Business and sector associations were surveyed to gather their insights about the concerns of members and their views on changes in the Tanzanian business environment.

Moving in the right direction

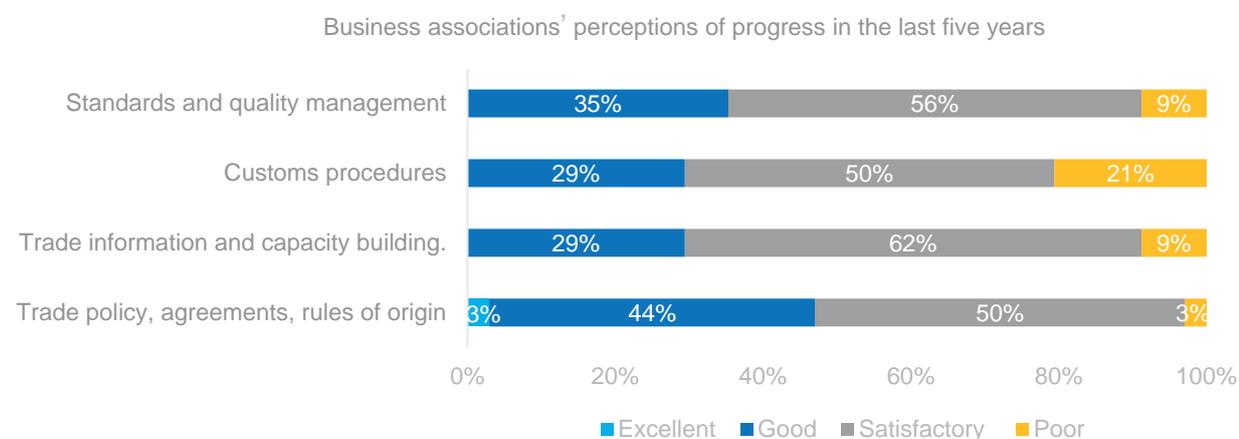
Half of the 34 associations that were interviewed say progress in the last five years on trade policy, agreements and rules of origin has been satisfactory, while 7% consider it good or excellent. Merging the functions of some public agencies – such as TBS and TFDA – helped streamlined processes, they said.

The Tanzanian business community supports the ‘Blueprint for Regulatory Reforms to Improve the Business Environment’ as well as the proposed new agricultural policy by the Ministry of Agriculture. Agricultural associations said government statements to avoid export bans on food crops such as rice and maize and to stop interference in food trade at borders were supportive.

Trade agreements including the African Continental Free Trade Area and customs union such as the East African Community have improved trade relations between member states and with foreign markets, according to the business community. The WTO Trade Facilitation Agreement has reduced red tape at borders and the EAC has improved procedures linked to rules of origin – for example, relaxing the one-day deadline to rectify mistakes in the certificate of origin. Many taxes and levies have also been lowered, which has helped exporters, business associations said.

Trade information, capacity building and standards and quality management have improved, they reported. Although most agree that customs procedures have improved, 21% find the progress poor.

Figure 25 Business associations see progress on most trade issues



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Business associations echo the concerns of companies

Despite some progress on tackling trade-related issues, business associations voice many of the same concerns expressed by exporters surveyed by ITC. Trade procedures must be streamlined, and fewer organizations should be involved in cross-border trade, they say.

One association said its members needed several certificates, all from different agencies, to export. Another said different government agencies inspect company premises, which can be inefficient and burdensome. Microenterprises and small firms in particular may lack the resources and accurate information to deal with multiple agencies.

Many business association members have difficulty meeting SPS and TBT regulations. Some fail to obtain the TBS quality mark due to lack of information or know-how, without which they may be unable to export.

Agricultural business associations, like agri-exporters, say packaging is a challenge. Tanzanian packaging materials and methods are not aligned with international practices, they noted, and companies cannot easily obtain the proper packaging materials, making the export process difficult.

Like traders who were interviewed, associations see no reason to require a certificate of radioactive analysis to import or export foodstuffs. They want the Government to review this requirement.

Relevant information must be made available

Business associations say trade-related information must be made more available and accessible. When information is available, companies and associations are often unaware of it.

Official information and legislation are sometimes only available in English. This creates difficulties for traders who only speak and understand Swahili. This issue is more common among small enterprises.

Market access information and updates about export and import requirements are unavailable, according to business associations. Although the Tanzania Trade Information Portal (see Chapter 3) provides information on trade requirements and connects visitors with ITC Market Analysis tools and national regulations, many Tanzanian traders do not know about these resources.

Associations say Tanzanian traders are confused about certificates of origin. They often do not know which certificate they need or even if they need a certificate, as many are unaware of preferential access mechanisms in certain markets.

Traders must go digital

Digitalization of trade-related services poses a challenge for companies that struggle with online procedures. For instance, a business association reported several issues and complaints about the online registration system of the Business Registration and Licensing Agency (BRELA). Although the system simplifies the business registration process, firms need training on how to navigate this system.

CHAPTER 3 THE PATH TOWARDS REGULATORY REFORM



This chapter highlights government initiatives to facilitate cross-border trade and help businesses navigate obstacles related to non-tariff barriers. It also summarizes the key findings of the first NTM Business Survey in the United Republic of Tanzania, conducted in 2013–2014, and how company concerns have changed since then.³⁷

Changes in company perspectives in 2014–2020

Traders faced a challenging business environment in 2014

In 2014, burdensome non-tariff measures affected 74% of Tanzanian exporters.³⁸ The manufacturing sector was more affected (77% of exporters) than the agricultural sector (66%).³⁹ The results revealed a trading environment with high operational costs due to numerous regulatory requirements and inefficiencies in the business environment.

While non-tariff measures affected a similar share of exporters in 2020, there was a shift in the sectors. The affectedness rate in the agricultural sector rose to 76% in 2020 while the rate in the manufacturing sector declined to 57%.

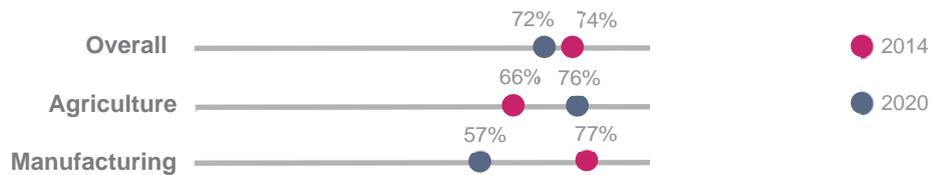
These indicators should not be interpreted as a lack of results in the regulatory reforms undertaken by the Government. Hurdles reported in the two time periods are not necessarily the same. In fact, difficulties with domestic regulations have eased over the years, while new hurdles related to foreign regulations are now more common.

³⁷ Current concerns of the Tanzanian business community, based on the second NTM Business Survey conducted in 2019–2020, are presented in Chapter 1.

³⁸ In the 2013–2014 survey, ITC interviewed 504 companies, of which 313 were exclusively exporters, 110 exclusively importers, and 81 were involved in both export and import of goods.

³⁹ ITC (2014). *Tanzania: Company Perspectives*.

Figure 26 Impact of non-tariff measures: A shift in sectors since 2014



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020, and ITC NTM Business Survey in the United Republic of Tanzania, 2013–2014.

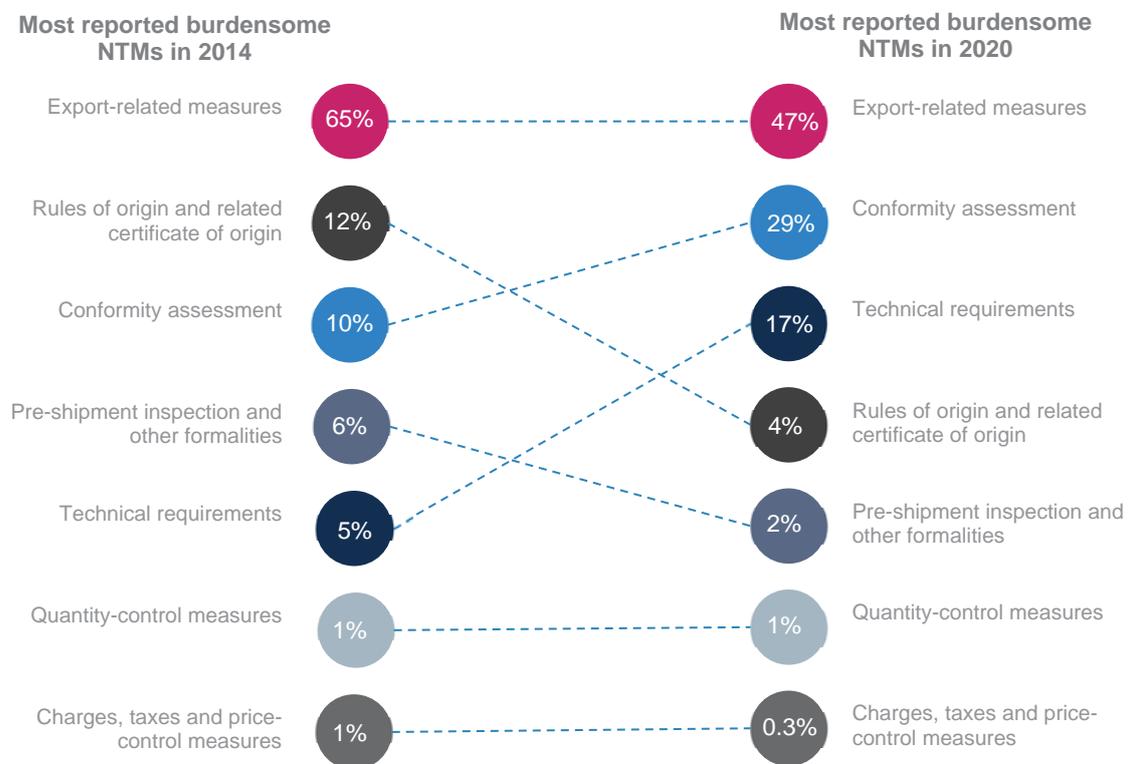
Traders struggle more with foreign technical measures

Export-related measures were the top concern of exporters in both 2014 and 2020. However, they reported fewer difficulties with domestic issues. Domestic export regulations made up 65% of all burdensome NTMs reported by exporters in 2014; this share fell to 47% in the latest survey.

In contrast, issues with technical measures, including both technical requirements and conformity assessments, have grown in importance – from a mere 15% to 46%.

Another key change between the two surveys is the number of complaints about rules of origin – the main concern of manufacturing exporters in 2014. Only 4% of the difficulties reported in 2020 relate to rules of origin requirements and certificates of origin, compared to 12% in 2014. Tanzanian Government efforts to issue this certificate more efficiently likely contributed to this positive change.

Figure 27 Domestic regulations are less of a problem than in the past



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020, and ITC NTM Business Survey in the United Republic of Tanzania, 2013–2014.

Comments from exporters interviewed for the first Tanzanian NTM Business Survey (2013–2014)

Exporter of spices

'Partner country requires packaging materials to be of a kind that is not transparent. This kind of packaging is expensive and takes a long time to be delivered.'

Exporter of maize

'The need to obtain a radiation certificate is irrelevant to what we are exporting. Furthermore, the involvement of different departments is not centralized.'

Exporter of wheat

'Long procedures and excessive bureaucracy in getting the relevant certificates from Tanzania Food and Drugs Authority makes the procedure difficult.'

Exporter of wood in chips

'It's too difficult to get a permit to export timber because of the bureaucracy in the Ministry of Natural Resources and Tourism. It takes almost three months.'

Exporter of fabrics

'It takes a long time to obtain a certificate of origin, which leads to long delays in shipment.'

Exporter of boxes

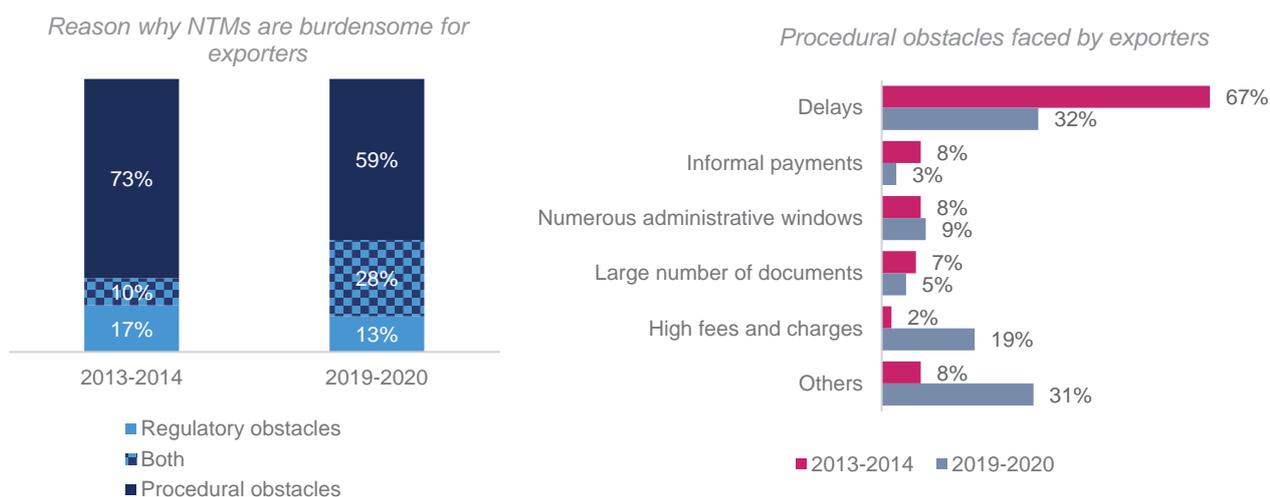
'Export inspection can take a lot of time – from 2 to 10 days. We are also forced to provide informal payments for inspections to be done more quickly.'

Procedural obstacles continue to affect exporters

Procedural issues caused most (83%) of the difficulties exporters faced in 2014 rather than the regulations themselves (27%).⁴⁰ Procedural obstacles were also the most common issue (87%) in 2020, but traders had more problems with regulatory issues (41%) than in the previous survey.

In both surveys, exporters identified delays as the main procedural obstacle though this was less of a problem for exporters in 2020 (32%) than in 2014 (67%). These delays cost companies both time and money. Furthermore, they also had to deal with losses of perishable goods and loss of business opportunities.

Figure 28 Difficulties due to procedural obstacles are still the main concern



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020 and ITC NTM Business Survey in the United Republic of Tanzania, 2013–2014.

⁴⁰ Some difficulties relate to both procedural and regulatory obstacles. In 2014, 10% of the reported cases involved both regulatory and regulatory hurdles; in 2020, 28%.

Recommendations in 2014

ITC made several recommendations in 2014 to help the Tanzanian Government prioritize issues to improve the domestic trade environment. These focused on addressing procedural barriers such as delays, the large number of institutions involved in processes, and high formal and informal fees.

The recommendations⁴¹ fall into six categories:

Streamline and reduce the number of forms and documents in use



Initiate a review of all required documents and forms with the aim of streamlining procedures and reducing the number of documents used when exporting and importing.

Expedite the move to paperless (electronic) submission and processing of the required documentation and information.

Streamline the number of institutions involved in regulating international trade.

Streamline and reduce the number of institutions involved



Review the country's trade policy institutional framework with the aim of simplifying and reducing the number of regulatory agencies involved to a manageable number. For instance, in matters pertaining to regulating trade in food products three national agencies were involved: TBS, Tanzania Food and Drugs Authority and the Tanzania Atomic Energy Commission.

Matters relevant to food safety, quality and standards should be the responsibility of TBS, which is suitably equipped and staffed.

Strengthen institutional capacities



Reinforce the technical capacity of Tanzanian institutions to address inefficiencies caused by low levels of skilled staff, underdeveloped inter-agency coordination and outdated equipment, facilities and systems required to handle growing trade volumes.

Increase staffing levels, improve training and adopt strategies to ensure high staff retention, particularly among highly skilled personnel.

Invest in modern equipment and facilities to keep pace with new technology. Update and expand national standards, quality assurance, metrology and testing measures, equipment and facilities in line with international standards.

Improve inter-agency coordination in areas such as the issuance of registrations, certificates and permits.

Accelerate the full implementation of the Tanzania Customs Integrated System to improve on-time and real-time documentation, assessments and approvals in trade facilitation, including the administration of non-tariff measures.

Set up an electronic single window system with a single point of access for traders and all trade regulatory authorities. It would be a cost-effective solution for faster processing, more predictable application of rules and more efficient deployment of resources. It would also contribute to improved trade compliance and greater integrity and transparency.

⁴¹ ITC (2014). *The United Republic of Tanzania: Company Perspectives – An ITC series on non-tariff measures*.

Review the high fees and charges on trade



High fees and charges for some of the reported certificates, regulation and licences undermine the price competitiveness of products – especially for SMEs that face thin price margins in highly competitive international markets.

A systematic cost–benefit review of the relevance of fees and charges is needed. Fees and charges that add marginal or no benefits relative to their administration costs should be eliminated. The remaining fees and charges should be lowered to a level commensurate with the cost of administering the concerned NTMs.

Address the problem of informal payments



The problem of informal payment and bribes was symptomatic of the many inefficiencies encountered in the Tanzanian trade-related business environment. Its recurrence across different non-tariff measures showed that it deserves more than cursory consideration.

The report recommended intensifying government efforts to combat these corrupt practices to root out misconduct. Investing in automation and reducing the volume of documentation required would probably help minimize the incidence of informal payments.

Further engage trade partners to resolve non-tariff barriers



The report acknowledged the United Republic of Tanzania's participation in bilateral, regional and tripartite initiatives aimed at eliminating non-tariff barriers. It recommended intensifying discussions with other countries to remove restrictive non-tariff measures and non-tariff barriers and monitor and eliminate new ones as they surface.

The report also recognized the country's non-tariff barrier (NTB) online reporting system (using a mobile short message service or SMS) through which traders and freighters report barriers to the trade-regulating authorities. Feedback from stakeholders suggested that this system is not widely known by the public and the trading community.⁴²

ITC suggested stepping up public awareness campaigns about the system so burdensome regulations and procedures could be quickly reported and addressed. ITC also urged the Government to continue mobilizing resources to further develop and sustain the national monitoring committee and the NTB reporting system. Resources should also be made available to address weaknesses in the trade-related business environment and improve institutional capacity.

⁴² Feedback received during the National Stakeholder Workshop held in Dar es Salaam in May 2014, where this report was validated.

Government takes steps to support traders

The Tanzanian Government has adopted several initiatives to address the regulatory and procedural obstacles that hamper traders. Some of the key initiatives are summarized below.

Blueprint to create an enabling business environment

In 2018, the Government launched the 'Blueprint for Regulatory Reforms to Improve the Business Environment,' which aims to reduce the burdens that companies face when complying with regulations.⁴³ The document presents a series of recommendations and regulatory upgrades necessary to improve the Tanzanian business environment – some of which target better international trade.

The plan is based on 10 principles. This section highlights proposed reforms aimed at improving the export and import processes.

Figure 29 Blueprint for regulatory reforms is based on 10 principles



Source: Ministry of Industry, Trade and Investment.

Many fees lowered or eliminated

Following the blueprint's recommendations, the Government has reduced or removed around 170 fees and charges for traders and producers,⁴⁴ mainly in the agriculture, fisheries and livestock sectors. This has eased the regulatory burden on exporters, especially those who trade different types of goods and need different licences and permits. Some of the reductions include:

- Applications fees of the TBS quality mark
- Annual maintenance fees of the Government Chemist Laboratory Authority
- Registration fees for meat exporters
- Green coffee export licence

⁴³ Ministry of Industry, Trade and Investment (2018). Available at: <https://www.mit.go.tz/uploads/files/BLUEPRINT-BOOK-compressed.pdf>

⁴⁴ See Appendix IV and Appendix V.

Occupational Safety and Health Authority scraps registration fees

OSHA has removed the following fees:⁴⁵

- Workplace registration fees (Tsh. 50,000–Tsh. 1,800,000)
- Workplace registration form fees (Tsh. 2,000)
- Fines relating to firefighting equipment (Tsh. 500,000)
- OHS Act Compliance Licence fee (Tsh. 200,000 per year)
- Occupational Safety and Health consultation fee (Tsh. 450,000 per hour)

This was done by amending the Occupational Health and Safety Act. Tanzanian business associations consulted by ITC acknowledged these changes as very favourable for their operations, particularly removal of firefighting fines, which they consider to be very high.

Merger of TFDA and TBS

The blueprint supports the consolidation of related regulations and procedures through a single agency or through the administration of regulations by one-stop service centres. To eliminate function overlaps, the Government merged some tasks of the former Tanzania Food and Drugs Authority and the Tanzania Bureau of Standards in 2019.

TBS took over TFDA's activities on quality assurance and food and cosmetics safety. TFDA became the Tanzania Medicines and Medical Devices Authority, so it now focuses only on medicines and medical devices.

This reform is recent and the two agencies are still adjusting to their new roles. However, both companies and business associations consulted by ITC applauded this reform.

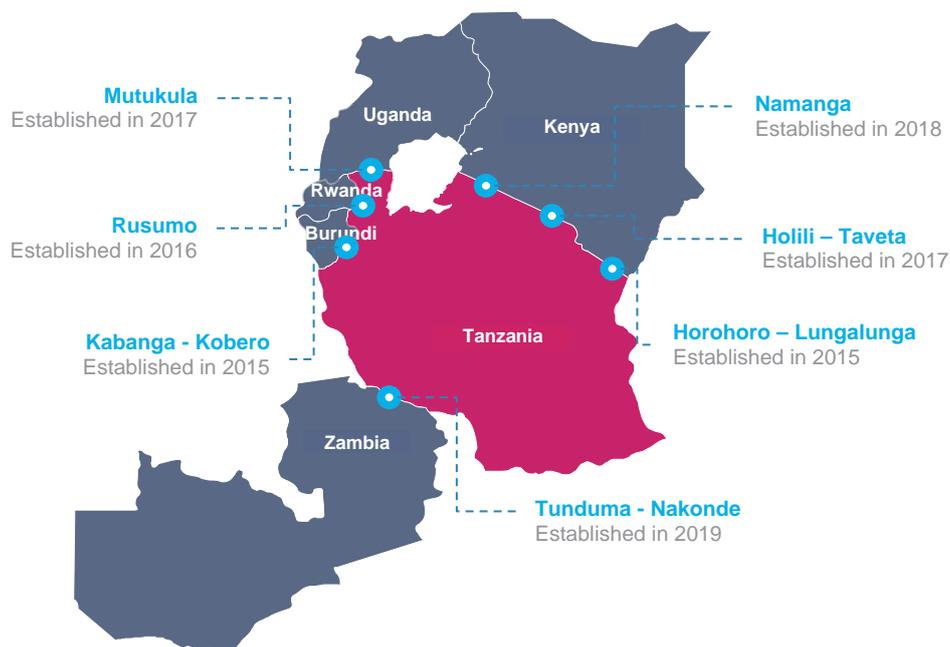
Implementation of one-stop border posts

The East African Community has set up several one-stop border posts (OSBPs). These are joint facilities at the border of two countries, where all required procedures for importers, exporters and travellers are done together. Establishing these posts harmonizes and coordinates procedures between countries when possible. For instance, if both the exporting and importing countries require a similar inspection, the one-stop border post allows a joint inspection.

The United Republic of Tanzania had created seven one-stop border posts by November 2020. Business associations consulted by ITC say these facilities have accelerated the customs clearance process, as many institutions have representatives at the posts, which has made the process easier and clearer.

⁴⁵ See https://www.osha.go.tz/storage/fee_structure/OHS%20UPDATED%20FEE%20STRUCTURE.pdf

Figure 30 Seven one-stop shops have been set up on Tanzanian borders



Creation of the TBS client service charter

The blueprint promotes transparency and communication in and between regulatory agencies. The Tanzania Bureau of Standards has had a client service charter since April 2018.⁴⁶ This is a written commitment by TBS to its clients about its service delivery that aims to reduce uncertainty and boost the agency's efficiency. Among others, the charter lists the type of services TBS offers and how much time these services take.

BRELA online registration system

All companies operating in the United Republic of Tanzania must register with the Business Registration and Licensing Agency (BRELA). In 2020, BRELA launched the Online Registration System,⁴⁷ which enables the registration of companies, business names, industrial licences, marks and patents. Firms do not need to go to BRELA's premises to register, reducing the costs and time to comply with all the regulatory requirements.

Online business registration system in Zanzibar

The Zanzibar Business and Property Registration Agency, a Zanzibar-based government institution, created an online business registration system for companies located on the Indian Ocean archipelago. The system also allows for online payments and online information services.

Regional commitments to facilitate cross-border trade

As a member of the EAC, the United Republic of Tanzania is committed to facilitate regional trade and to reduce friction between member countries. In 2015, the EAC passed the East African Community Elimination of Non-Tariff Barriers Act, which provides a legal framework on how to address NTBs in the region. The act specifies three channels for addressing these barriers:

- Mutual agreements between partner states to eliminate reported NTBs;
- The Time-Bound Programme for the Elimination of Identified/Reported NTBs, which relies on the reporting of non-tariff barriers through national monitoring committees;
- Directives and recommendations made by the EAC Council of Ministers, the community's central decision-making organ.

⁴⁶ See <https://www.tbs.go.tz/uploads/publications/en-1588774241-client%20service%20charter%20feb%20202019.pdf>

⁴⁷ See <https://www.uniformtz.com/brela-online-registration-system-ors/>

NTB monitoring mechanism at the EAC level

As part of the EAC, the United Republic of Tanzania operated an NTB monitoring mechanism developed jointly by the East African Business Council and the EAC.⁴⁸ This mechanism was designed to enhance regional economic integration by simplifying the process of identifying, reporting and monitoring the elimination of existing and future NTBs in the region.

The mechanism brings together the trading community – including private sector traders, shippers and their respective associations and trade-regulating ministries, departments and government agencies that analyse NTBs and take corrective actions to eliminate them. These trade-regulating authorities submit periodic reports on identified, resolved and unresolved NTBs to the national monitoring committees. The committees work closely with these authorities and business associations to abolish or minimize the impact of the NTBs.

The Tanzanian committee meets at least once a month for this purpose. The East African Business Council, along with chambers of commerce, the EAC Secretariat and government trade-regulating authorities, periodically disseminates progress reports.

The EAC Secretariat organizes quarterly regional forums of the national monitoring committees to update the Time-Bound Programme. Partner states hold bilateral discussions about removing NTBs that blocks their trade.

Institutionalizing mechanisms targeting non-tariff barriers

The United Republic of Tanzania actively participated in tripartite-level initiatives launched in 2012 to institutionalize mechanisms for reporting, monitoring and eliminating NTBs in all three regional groupings (NTB focal points/national monitoring committees).

Targeted reforms

The Government has initiated reforms specifically targeting new issues that obstruct trade. These include the following:

Cap on the produce cess lowered

The Government lowered the cap on the produce cess to 3% from 5% through the Finance Act of 2017. The produce cess is a levy charged by local government authorities on the production sold by a farmer to any trader. This is one of the biggest sources of income for local authorities, and also relatively easy to collect.⁴⁹

Produce cess has been questioned for many reasons. It reduces the farmer's profit and affects the competitiveness of Tanzanian agricultural products. It also causes market distortions, as the tax rate is different across local government authorities.

Implementation of the Tanzania Customs Integrated System

The Tanzania Revenue Authority launched the Tanzania Customs Integrated System in 2014. All required documentation can be submitted through the platform. All agencies involved in clearing goods issue the necessary permits and clearances through the platform.

Clearing agents no longer have to move from one office to another to get their documents cleared. This system has sped up the customs processes and payments and has been recognized as an improvement by different organizations. The Tanzania Customs Integrated System was designed as a web-based system to facilitate the move towards paperless operations and to lower the costs of doing business. It is also used in Zanzibar.

⁴⁸ Developed with support from TradeMark East Africa.

⁴⁹ Ogada et al. (2018).

The goal of the Government, as established in the blueprint, is to implement the national electronic single window – an extension of the customs system that would allow customs procedures to be linked with other government authorities involved in international trade. All requirements for exporting could therefore be issued electronically through the single window.

Electronic certificate of origin

The Tanzania Chamber of Commerce began issuing electronic certificates of origin in 2014. However, this service was only properly implemented in 2020, after the chamber's staff were trained on how to issue the certificate electronically.⁵⁰ Business associations consulted by ITC recognize this as a major improvement that has reduced times and red tape.

Tanzania Trade Information Portal

The Tanzania Trade Information Portal is a trade facilitation platform of the Ministry of Industry and Trade. It provides updated and detailed intelligence on procedures that exporters and importers of certain goods should follow for their trade transactions. The portal details step-by-step the requirements and necessary documents and also offers contact information on enquiry points, fees and access to forms.⁵¹

A system to report NTBs

In 2012, the United Republic of Tanzania pioneered an innovative short message service and computer-based system for reporting NTBs online through a registered account. Users send a message to a designated number that automatically sends an acknowledgement message and a tracking code that allows them to check on the status of the reported NTB (whether and how it has been resolved or outstanding).

The Tanzania Chamber of Commerce, Industry and Agriculture administers the system, which is connected to all stakeholders including the business community, ministries and government agencies, civil society organizations and researchers. The system ensures that NTB reports are sent to and acted upon by the system coordinator, who liaises with the responsible agencies to resolve the reported NTBs.

A large segment of the Tanzanian trading business community does not know about the NTB reporting and monitoring system, which has limited its usage. This signals a need to step up awareness and sensitization campaigns to market the system to all stakeholders. Support for the project from TradeMark East Africa ended in 2015, risking its sustainability in the long term.

Regulatory reforms are in line with ITC recommendations

Eleven of the 12 regulatory reforms described above respond to ITC recommendations. They cover different trade areas, meaning that upgrades covered many bottlenecks faced by exporters.

⁵⁰ See <https://dailynews.co.tz/news/2020-03-235e78622c3529c.aspx>

⁵¹ See <https://trade.tanzania.go.tz>

Table 6 Key government reforms to facilitate cross-border trade

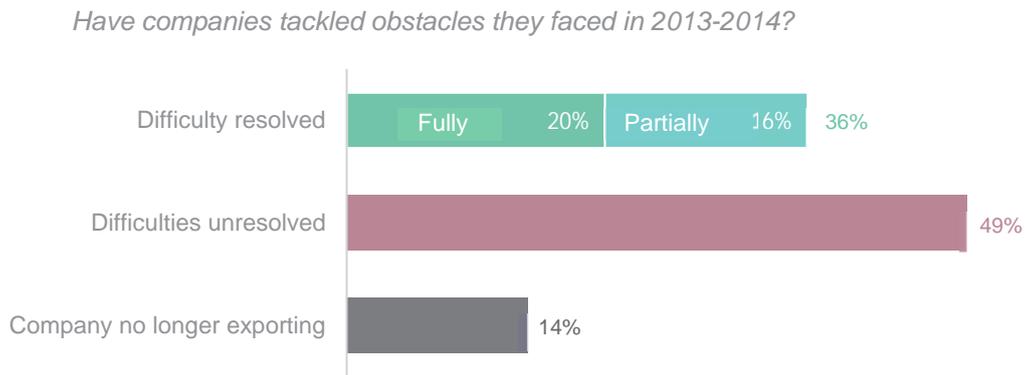
Reform	ITC recommendation made in 2014	Year of reform	Area(s)
Cap on the produce cess		2017	Trade policy, agreements, rules of origin
Removal of OSHA registration fees	Review the high fees and charges on trade	2018	Standards and quality management
Removal of different fees in several sectors		2019	Other
Implementation of the Tanzania Customs Integrated System (TANCIS)	Streamline and reduce the number of forms and documents in use	2014	Customs procedures
Electronic certificate of origin		2014	Trade policy, agreements, rules of origin
Creation of the TBS client service charter		2018	Standards and quality management
Merger of TFDA and TBS		2019	Standards and quality management
One-stop border shops	Streamline and reduce the number of institutions involved	2016–2018	Customs procedures
BRELA online registration system		2020	Other
Online Business Registration System – Zanzibar			Other
The EAC Elimination of Non-Tariff Barriers Act, 2017	Further engage trade partners to resolve non-tariff barriers (NTBs)	2017	Trade policy, agreements, rules of origin
Tanzania Business Portal	N/A		Trade information and capacity building

Company perspectives on the regulatory reforms

The second NTM Business Survey in 2019–2020 examines how Tanzanian traders' experiences with non-tariff measures has changed since the first survey. ITC contacted 49 companies that struggled with these measures in 2013–2014 and asked whether the challenges they faced in the past had been resolved and if they faced any new NTM-related difficulties.

More than a third (36%) of these firms had fully or partially resolved their NTM-related difficulties. Almost half still face the same sort of problems they reported in 2013–2014. Seven companies had ceased their export or import operations.

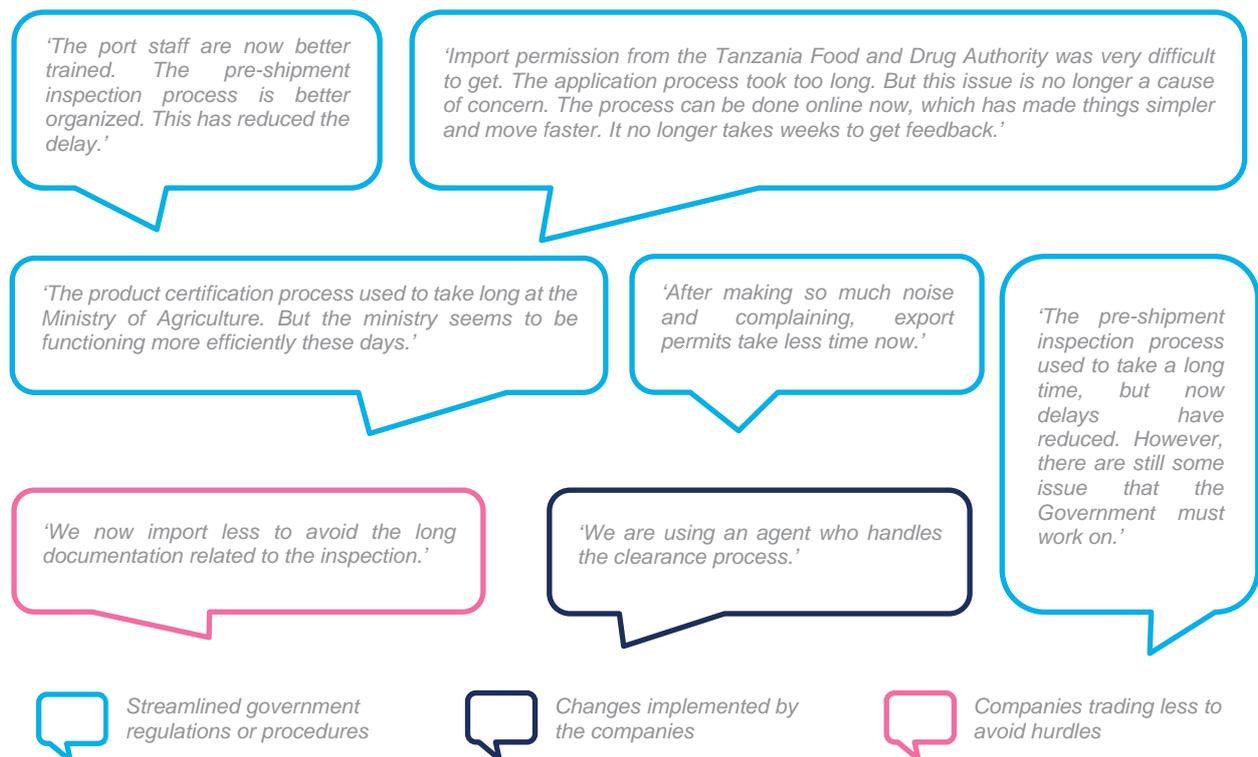
Figure 31 Half of firms face similar difficulties as those reported in 2013–2014



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

How have traders overcome NTM-related barriers?

Company testimony on factors that have helped them tackle their NTM-related challenges



Companies that resolved their trade hurdles were mostly able to do so thanks to improved processes at public agencies. There are now fewer delays when it comes to inspections, permits and product certificates. In a few cases, firms changed their operations to make the situation more manageable – for example, hiring customs agents to deal with the customs clearance process or reducing their transaction volumes.

Business associations acknowledge recent improvements

Tanzanian business associations credit much of the progress in tackling burdensome non-tariff measures since 2013–2014 to the blueprint for regulatory reforms. They also say public agencies are doing better on offering capacity building and trade information. For instance, the Tanzania Trade Development Authority has developed several capacity-building seminars and workshops to improve knowledge on importing and exporting, particularly among SMEs. Associations say these efforts help disseminate information and knowledge on trade.

Firms report an improved business environment

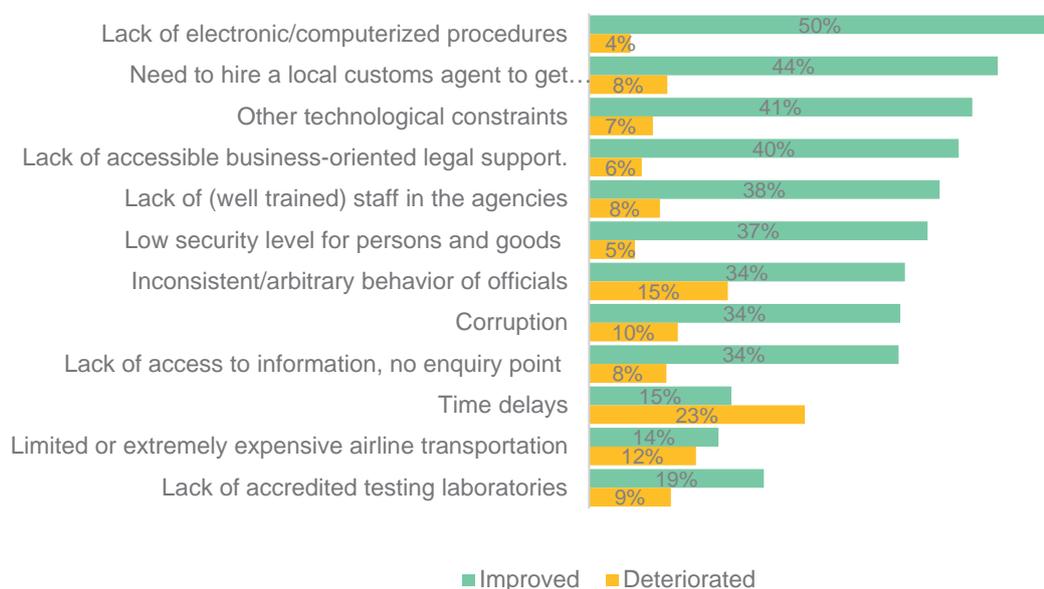
Inefficiencies in the business environment are not related to specific regulations, but they affect the ability of companies to export or import. Traders interviewed in 2019–2020 say conditions in many key business environment areas have gotten better in the last five years.

Half of these firms said the biggest improvement is the availability of electronic procedures. For 44%, there is less need to hire customs agents to unblock shipments. Companies also report better interactions with public officials. For instance, 38% say workers at the agencies are better trained and qualified, 34% say inconsistent or arbitrary behaviour of officials has declined, and another 34% see less corruption.

Security in the country has improved, according to 37% of the surveyed companies. Support and information for companies is also better; 40% see improvements in access to business-oriented legal support and 34% find access to trade information better.

Major improvements are still needed in some areas, however. Only 15% of interviewed firms see fewer delays at public agencies while 23% say the situation has become worse. Air transportation and accredited laboratories remain limited, the survey found, with just a few companies reporting improvements.

Figure 32 Traders see many improvements in the business environment



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

CHAPTER 4 RECOMMENDATIONS



The NTM Business Survey identifies regulatory and procedural issues that hinder the export and import operations of Tanzanian companies. The survey also identifies government reforms that address some of the difficulties businesses faced in 2013–2014.

Several issues continue to encumber exporters – especially excessive domestic bureaucracy and export-quality management.

The recommendations presented in this chapter followed discussions with stakeholders from the public and private sectors, business associations and experts. The survey results and recommendations aim to help the Government and the private sector create an enabling environment for private-sector development and improve export competitiveness in the United Republic of Tanzania.

Fully implement the electronic single window system

Excessive bureaucracy and multiple documentation requirements are among the most common complaints of Tanzanian exporters. Implementing the electronic single window system, or eSWS – initially at the Dar es Salaam port, followed by all other ports – is a positive step and will go a long way towards reducing red tape.

This system is a paperless, one-stop service that aims to connect all agencies involved in cross-border trade. Through the single window system, companies will be able to submit all documents for export, make payments electronically and have the required certificates and permits issued in a single electronic interface.

Once the system is fully up and running, companies will not have to visit different institutions or use different systems at each agency. Introducing an electronic single window system is one of the key recommendations in the blueprint for regulatory reforms, which advocates for the use of smart instruments for smart revenue.

The electronic single window system is in its pilot stage, with 400 agents already engaged. Its official launch, covering most agencies and regions of the country, is expected in the near future.

The system is set to be implemented through the Tanzania Customs Integrated System, managed by the Tanzania Revenue Authority. It will integrate five areas: revenue administration, transport and logistics, trade

policy implementation, health and public safety, and security, economic and supply chain.⁵² The Government should ensure this vital system is implemented properly and without delay.

Eliminate duplicate mandates

The United Republic of Tanzania should continue eliminating duplicate roles and regulations across public agencies, as promoted in the blueprint for regulatory reforms. Merging the functions of TBS and the former TFDA is a good example of removing duplicate functions to streamline procedures.

A first step would be to centralize procedures in a single agency, at least for some priority products such as coffee. The Tanzania Coffee Board could act as a single window for coffee exporters so they would not have to deal with different agencies. Exporters could go directly to the board for all necessary procedures involving exports, and it would direct their requests through the different relevant agencies.

Review certificate of radioactive analysis requirement

The Government should reconsider the requirement for companies to obtain a certificate of radioactive analysis for exports and, in lieu of scrapping this requirement, facilitate issuance of the certificate. While product safety is paramount, almost no foreign markets find the radioactive analysis necessary, so it is not mandatory.

If the Government decides that health and safety concerns merit keeping the requirement, the Tanzania Atomic and Energy Commission should make it easier to obtain. The certificate should be issued online and companies should be able to send samples for analysis in an expedited way. Furthermore, the certificate should be issued in few days, so it does not cause delays in the shipment of goods.

The radioactive analysis certificate cost also needs to be reviewed. It usually costs 0.2% of the free on board (FOB) value – a considerable amount for exporters.

TAEC says online applications for the certificate have skyrocketed to 98% of total applications since 2020, and the certification is issued within a day, in most of the cases. However, exporters still find the requirement expensive and unnecessary.

Adopt a national quality policy

Exporters in all sectors reported difficulties with technical requirements and conformity assessments. Companies either find the requirements too complex and strict to follow, or they encounter procedural obstacles that made it hard for them to comply with those requirements.

The lack of a national quality policy – something the Ministry of Industry and Trade and TBS are working on now – makes it difficult for firms to comply with technical measures. Adopting such a policy would be a good starting point for a coherent and comprehensive quality strategy in the country. It would provide guidance on which quality infrastructure should be prioritized, what institutional arrangements are needed to improve the quality of Tanzanian products, and how to standardize national standards with international practices.

The national quality policy being jointly developed by the ministry and TBS should address the day-to-day challenges of Tanzanian enterprises vis-à-vis safety, quality and standards. Furthermore, once the new policy is introduced (expected in 2022), the Government should prioritize it and make sufficient resources available to ensure its proper implementation, which would enhance the profile of Tanzanian products.

Develop and harmonize national standards with international practices

Standards set by the TBS are the reference for many exporters on quality requirements. However, Tanzanian traders complain that some products lack standards.

The country must develop national standards on strategic products to give farmers a reference on which characteristics are desirable and which practices to follow when growing their crops. EAC members should continue harmonizing standards across the region, particularly on actively traded products.

⁵² See <https://www.tra.go.tz/images/uploads/Laws/SINGLEWINDOWSYSYSTEMeng-web.pdf>

Tanzanian exporters often must obtain international certifications because buyers in the international market do not recognize Tanzanian national or regional standards. This increases costs for companies, as they need different standards for different buyers.

To address this, national and regional standards should align their requirements with those of international standards. National and regional standards should be marketed and promoted as acceptable quality marks, so international buyers start to recognize them.

Developing the Tanzania Spices label is a good example of improving international recognition of national standards.⁵³ This label will certify that products are high quality and meet TBS standards.

The label seeks to boost recognition of Tanzanian goods and quality standards in foreign markets. More work will be needed to position this initiative internationally. The Government should support efforts to market and brand this and similar initiatives.

Build capacity at the farmer level

Agri-exporters in the United Republic of Tanzania have a hard time meeting foreign quality requirements and obtaining product certifications. Tackling these issues starts at the farmer level.

Farmers often do not know the best practices on harvesting, post-harvesting and storing their products, or they cannot guarantee some product characteristics required by buyers. They also lack the proper infrastructure and machinery necessary to guarantee a good-quality product. This is the case of spices producers, who sometimes do not have access to machines for drying the product properly.

The Government should invest in capacity-building programmes for farmers of priority products or with prospects of diversification. The MARKUP initiative has supported similar initiatives, training more than 1,000 cinnamon farmers on production best practices.

It is then necessary to scale and replicate these kinds of initiatives. This could be done through a training-of-trainers programme, where some local producers are trained on quality standards and best practices. They then share the know-how they acquired with other farmers and producers.

Invest in shared machinery

Sharing machinery and equipment among farmers of a specific commodity can be a cost-effective way to embrace new technology and farming techniques. A public–private partnership where both public and private sectors contribute to new technology could be the best way to enhance farming across the board. This would enable risk and cost sharing in the sector.

Improve accreditation of quality facilities

Public testing facilities in United Republic of Tanzania are scarce and not accredited internationally. Almost none of the public laboratories are accredited with ISO 17020: 2020, which specifies the requirements for the competence of inspection bodies and for the impartiality and consistency of their inspection activities. The Southern African Development Community Accreditation Services has accredited only six TBS labs, and they offer limited services for certain products and are mainly located in Dar es Salaam.

TBS must work to get more of its facilities and practices internationally accredited and set up labs in different regions. This includes offering more accredited services for priority agricultural commodities. Public laboratories should be easily accessible to exporters in all regions, which can be done by increasing the number of public facilities across the country.

Accredited bodies that issue voluntary standards, such as GLOBALG.A.P. or Starbucks CAFE Practices, should be more available. While market demand largely drives the decisions of such certifying bodies to establish themselves in a country, government authorities could intervene and make some certification services available locally, so Tanzanian exporters need not go abroad for them. For instance, the Tanzania Horticultural Association led an initiative to accredit GreenCert as a certifying body for GLOBALG.A.P. in response to the increasing demands of horticultural exporters.

⁵³ MARKUP supports this initiative.

Address packaging issues in the United Republic of Tanzania

Tanzanian packaging manufacturers and exporters, who struggle to find proper materials to package their goods, need support.

Regions such as the EU require packaging materials to be certified and tested. Packaging for agricultural products must be 'food grade' certified, meaning it is proved to be safe for food while maintaining its properties in terms of taste, aroma, etc.

Stepping up the certification and testing of Tanzanian packaging materials would make them more acceptable in international markets. This could be done by making TBS testing and certification services more widely available and by enhancing awareness among local packaging manufactures that they need to certify and test their materials. Exporters should also be better informed on where to find suitable packaging manufacturers in the local market.

Exporters, especially SMEs, need lower-cost packaging. The finance ministers of EAC partner states agreed in 2020 to grant a 0% import duty on packaging materials used by local coffee processors. The EAC could extend this benefit to other sectors, such as spices and avocado. The Tanzanian Government could also apply a tax remission for packaging materials used for exports.

Furthermore, exporters should be trained how to incorporate better practices for packaging. In particular, the packaging strategy should be aligned with the branding strategy. Packaging design should respond to the marketing and branding goals of the company, so the product can be sold to target clients.

The Packaging Technology Centre at TBS may be ideally placed to lead this initiative and should be sufficiently supported.

Harmonize Zanzibari regulations with Tanzanian regulations

Certifications, testing requirements and other trade-related regulations issued by Zanzibari authorities are often not recognized internationally. Even when countries accept regulations issued in the United Republic of Tanzania, they do not accept them if they come from Zanzibari authorities, such as the Zanzibar Bureau of Standards or the Zanzibar Foods and Drugs Authority.

Official Tanzanian organizations represent Zanzibar at the international level. Any regulation or law ordered by the Revolutionary Government of Zanzibar is not considered as a Tanzanian official regulation. In such cases, any regulatory issue that arises should be addressed internally by the office of the vice president, who is in charge of union matters.

For instance, Zanzibar-based authorities could harmonize their standards with Tanzanian standards. All authorities could then develop memorandums of understandings to issue official certifications of standards automatically after complying with Zanzibari regulations.

Update the Tanzania Trade Information Portal

Creation of the Tanzania Trade Information Portal greatly improved the availability of trade-related information about some important products. To further improve and keep the portal relevant, information about more exports should be added and the portal should be updated regularly.

Improve infrastructure at ports and airports

Capacity and facilities at Tanzanian ports and airports should be expanded to facilitate export shipments. Facilities such as cold rooms for perishable goods must be improved.

Stay on top of changes in foreign requirements

Being well informed about foreign requirements and prepared for new requirements is vital to remain competitive in the international market. The United Republic of Tanzania could benefit from an alert mechanism to better communicate trade requirements to exporters. One example of such a mechanism is

e-Ping,⁵⁴ which notifies small enterprises and trade support institutions about changes in sanitary and phytosanitary measures and technical barriers to trade. A customized local interface of the tool for Tanzanian SMEs could help them remain on top of SPS and TBT notifications to the WTO.

This mechanism should also allow traders to send feedback on proposed changes to SPS or TBT measures back to WTO via the national focal point. Workshops should be organized to train SMEs, business associations and national institutions on how to use the tool.

Improve mechanisms to report onerous NTMs

Providing a channel for traders to report troublesome non-tariff measures is essential to facilitate trade. The United Republic of Tanzania has put in place mechanisms for companies to report issues when complying with NTMs at both the regional and the national level.

In 2009, the Common Market for Eastern and Southern Africa, the EAC and the Southern African Development Community launched a system for reporting, monitoring and eliminating non-tariff barriers.⁵⁵ Three years later, the Tanzanian authorities launched a national mechanism to report NTMs via SMS, administered by the Tanzania Chamber of Commerce, Industry and Agriculture. These channels are not widely used or known in the business sector.

It is necessary to upgrade and promote these mechanisms and train SMEs so these tools can become a reliable channel for small enterprises to voice their concerns. It is also necessary to create an institutional mechanism to ensure the continuity of communication between the public and private sector, and to improve the business environment. The mechanism could be linked with the national Trade Facilitation Committee to ensure the cooperation of different actors (policymakers and trade and investment support institutions) to address non-tariff measures that hinder SMEs.

Implement an e-commerce strategy

E-commerce is a valuable channel that helps Tanzanian companies reach more customers in international markets. To do this, e-commerce must be mainstreamed in trade policy.

Many Tanzanian businesses have no website, online presence, or online strategy.⁵⁶ This suggests that the Tanzanian market is not yet ready to adopt e-commerce, from both the supply and the demand sides. The Government must lead a clear, direct, and coordinated e-commerce strategy to help the private sector adapt.

Similarly, micro and small businesses often do not know how to integrate their business into large e-commerce platforms or how to advertise their products effectively. A comprehensive strategy would enable them to benefit from these channels.

Address domestic issues for better international access

Market access begins at home, and this is especially true in the case of the United Republic of Tanzania. Streamlining domestic procedures, removing duplicate mandates and requirements, enhancing domestic capacity and improving national export quality management will long way to giving Tanzanian exporters unrestricted access to the international market.

⁵⁴ ePing is an SPS/TBT notification tool developed by the WTO in collaboration with ITC and the United Nations Department of Economic and Social Affairs.

⁵⁵ <https://www.tradebarriers.org/about>

⁵⁶ The United Nations Conference on Trade and Development (2020).

APPENDICES

Understanding non-tariff measures

What are non-tariff measures?

Non-tariff measures (NTMs) are 'policy measures, other than customs tariffs, that can potentially have an economic effect on international trade in goods, changing quantities traded, prices or both'. The concept of NTMs is neutral and does not imply a direction of impact.†*

Being 'defined by what they are not',[‡] these measures comprise many policies other than tariffs. They are complex legal texts specific to the product and the applying country. They are more difficult to quantify or compare than tariffs.

Classifying NTMs

NTMs may be applied for legitimate reasons, including the protection of human, animal and plant health. As such, this report does not make a judgement on intentions or the legitimacy of a measure.

By design, the survey only captures measures that cause difficulties for trading companies. NTMs analysed in this report refer to 'burdensome NTMs'.

The diversity of non-tariff measures requires a classification system. ITC NTM surveys are based on the international classification developed by the Multi-Agency Support Team, incorporating minor adaptations to the ITC NTM survey approach.‡

Procedural obstacles and the business environment

Procedural obstacles refer to practical challenges directly related to the implementation of non-tariff measures. Examples include problems caused by the lack of adequate testing facilities to comply with technical measures or excessive paperwork in the administration of licences.

Inefficiencies in the trade-related business environment may have similar effects, but these are unrelated to specific NTMs. For example, delays and costs due to poor infrastructure.

* Multi-Agency Support Team (2009).

† The term non-tariff barrier implies a negative impact on trade. The Multi-Agency Support Team and the Group of Eminent Persons on Non-Tariff Barriers proposed that non-tariff trade barriers be a subset of NTMs with a 'protectionist or discriminatory intent'.

‡ Deardorff and Stern (1998).

‡ For further details on the Multi-Agency Support Team NTM classification, see Appendix II.

A business survey on non-tariff measures



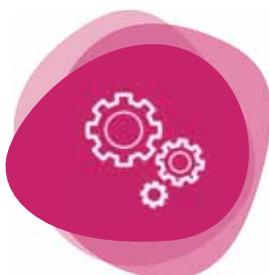
A business perspective is imperative

As exporters and importers deal with NTMs and other challenges firsthand, a business perspective on these measures is indispensable. For governments, understanding the main concerns of companies about non-tariff measures, procedural obstacles and trade-related business environments can help define national strategies to overcome trade barriers.

The International Trade Centre (ITC) carried out the NTM Business Survey in the United Republic of Tanzania in 2019–2020. The survey seeks to provide a better understanding of the trade obstacles confronting Tanzanian companies and to identify potential bottlenecks related to trade procedures and cross-border operations.

This report highlights progress that the United Republic of Tanzania has made to overcome trade obstacles since 2013–2014, when the NTM Business Survey was conducted in the country for the first time.

Information obtained from the survey will help both the private sector and the Government create an enabling environment for private sector development and improve the export competitiveness of the country.



Methodology and survey implementation

ITC adapted the general methodology of the survey to meet the needs and requirements of the United Republic of Tanzania.[†] ITC compiled a registry of more than 1,600 active exporters in the country to determine the population size and to contact the companies. A stratified random sampling method was used to calculate the sample size for each sector. This approach ensures that survey results are representative by sector.

Companies that reported being affected by non-tariff measures when the first survey was carried out in 2014, were also invited to participate in a new interview to understand if they had managed to resolve their difficulties, and how.

Additional interviews were also conducted with representatives of various public agencies and business associations.



Stakeholder consultations

ITC engaged bilaterally with representatives of public sector agencies and business associations, as well as experts on export quality management, to gain a comprehensive understanding of NTM-related hurdles facing Tanzanian exporters and importers.

Furthermore, consultations were held with public sector representatives in April 2020 – based on preliminary results of the survey. Feedback received from the meeting helped shape the report.

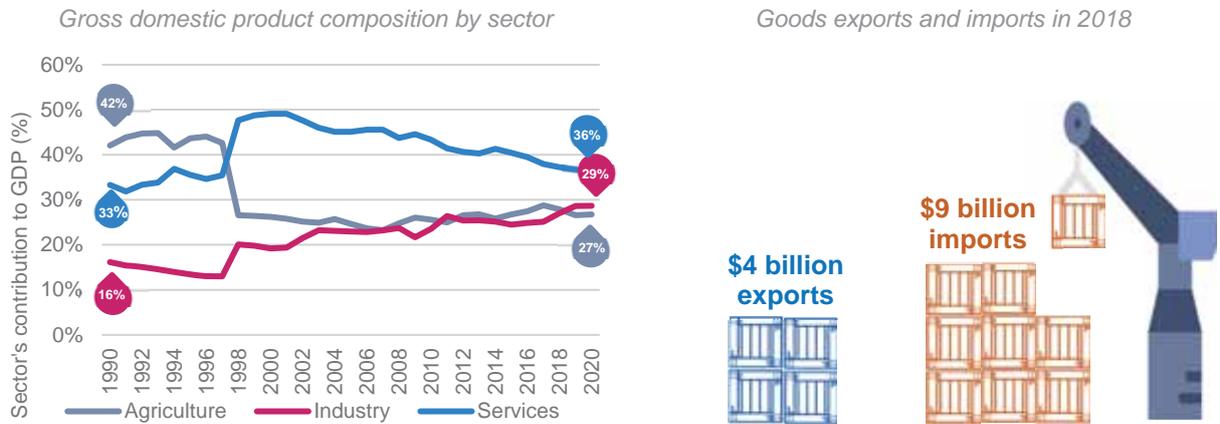
As part of the MARKUP initiative, ITC organized a national stakeholder meeting on non-tariff measures to present the survey results, stimulate a public and private sector dialogue, and develop proposals and policy options to address the barriers identified in the survey. ITC also held two awareness-raising workshops to inform stakeholders about key NTM and quality-related issues for exports.

Recommendations presented in this report were drafted in consultation with relevant experts and stakeholders.

[†] For details on the methodology, see Appendix I.

Tanzanian economy: the big picture

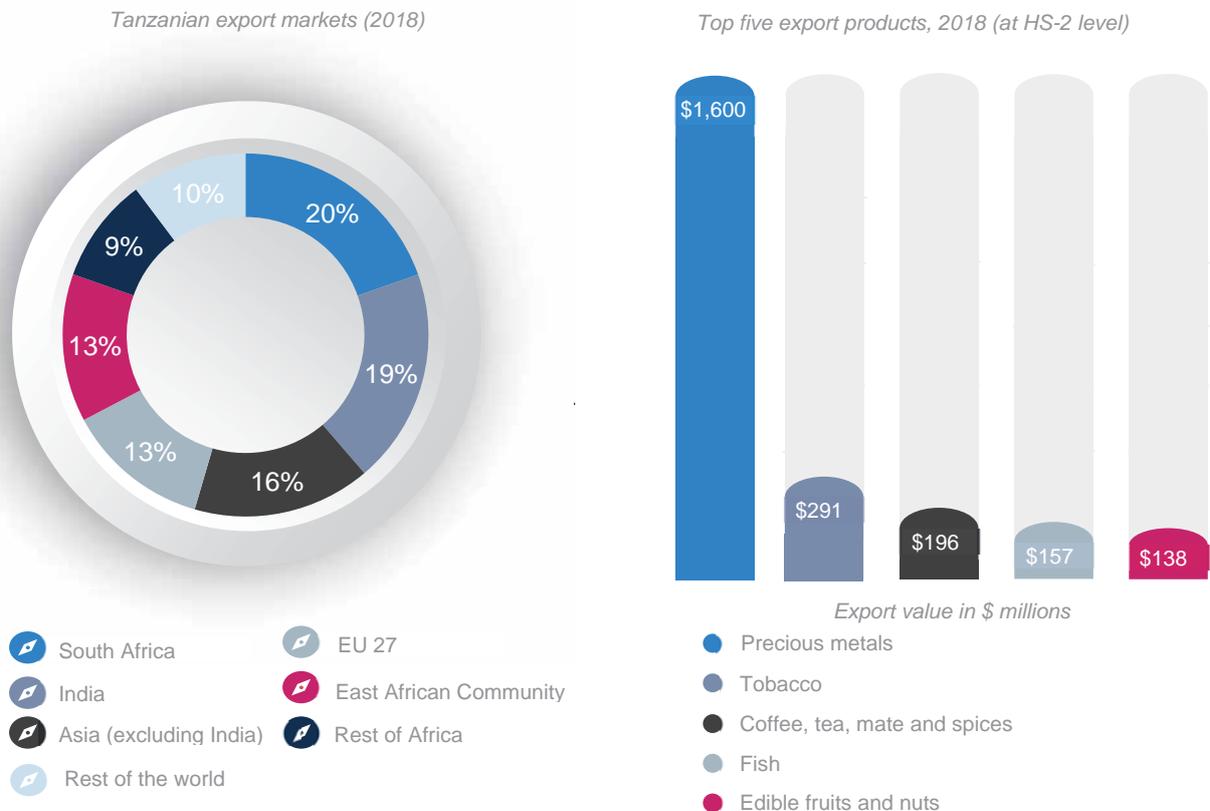
Figure I Services add 36% to the economy; the country is a net importer



Source: World Development Indicators, World Bank (2021) and ITC Trade Map, 2020.

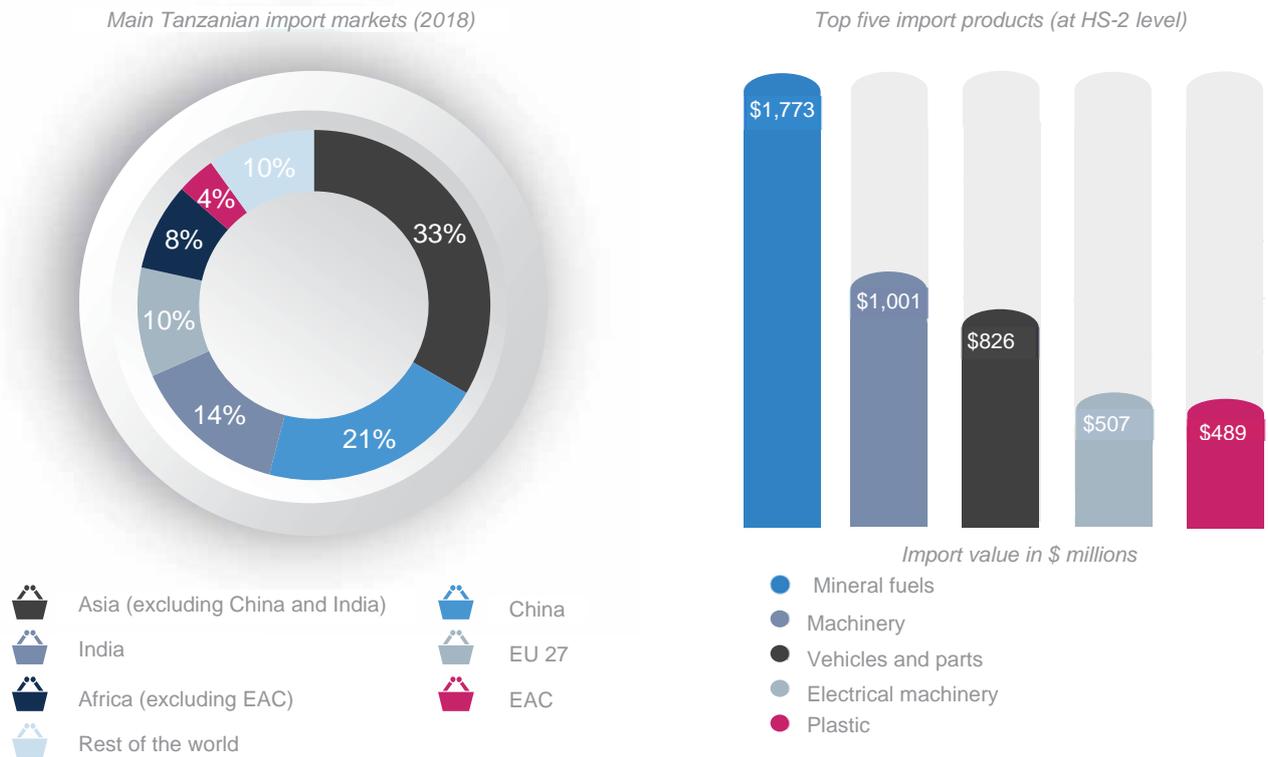
Note: The sum of agriculture, industry and services' contribution to gross domestic product is lower than 100%, as they do not include financial intermediary services and indirect taxes.

Figure II South Africa and India are Tanzania's biggest export markets; precious metals are top export



Source: ITC Trade Map, 2020.

Figure III Most Tanzanian imports, led by mineral fuel, come from Asia



Source: ITC Trade Map, 2020.

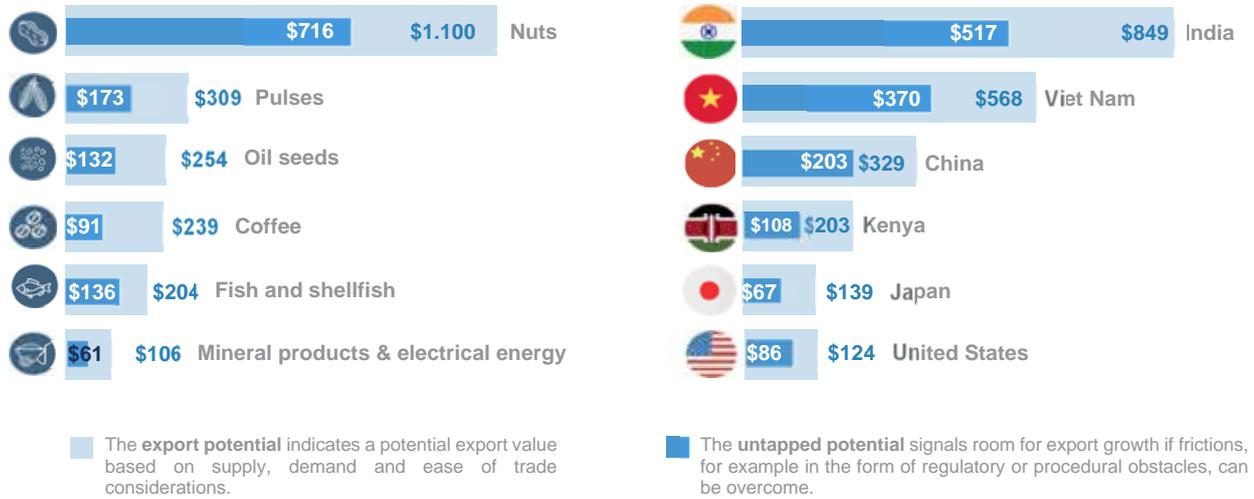
Figure IV EU, China and Japan offer the most duty-free access for Tanzanian goods

Major export markets (2019)	Diversification 95% trade in number of		Average MFN of traded tariff lines		Preference margin	Duty-free imports	
	HS-2 digit	HS-6 digit	Simple	Weighted	Weighted	Tariff lines (% of total)	Value (% of total)
Agricultural products							
European Union	8	16	12.7%	5.9%	5.9%	100%	100%
Viet Nam	1	1	20.5%	5.1%	0%	18.2%	3.5%
India	8	10	39.3%	29.8%	26.2%	69.4%	91.2%
China	4	4	14.1%	9.7%	8.6%	96.1%	89.5%
Japan	3	3	3.1%	0.3%	0.3%	100%	100%
Non-agricultural products							
India	8	9	8.3%	8.8%	8.6%	90.9%	97.1%
United Arab Emirates	2	3	4.6%	0.3%	0.0%	8.1%	94.5%
China	9	12	7.2%	3.1%	3.1%	98.5%	100%
Switzerland	1	1	1.9%	0.0%	0.0%	100%	100%
European Union	8	20	4.7%	3.2%	3.2%	100%	100%

Source: World Tariff Profiles, World Trade Organization (2020).

Figure V Nuts and pulses have the most export potential; Indian market is the most promising

Top products and markets with most potential from Tanzania (millions)

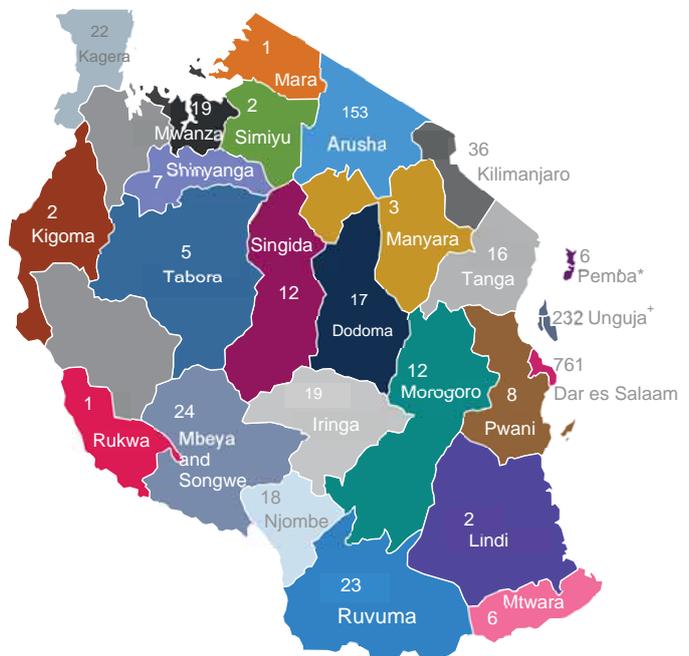


Source: ITC Export Potential Map, 2019.

Figure VI Tanzanian exporters, by sector and region

Most exporters are from the agricultural sector

Around half of the companies are located in Dar es Salaam

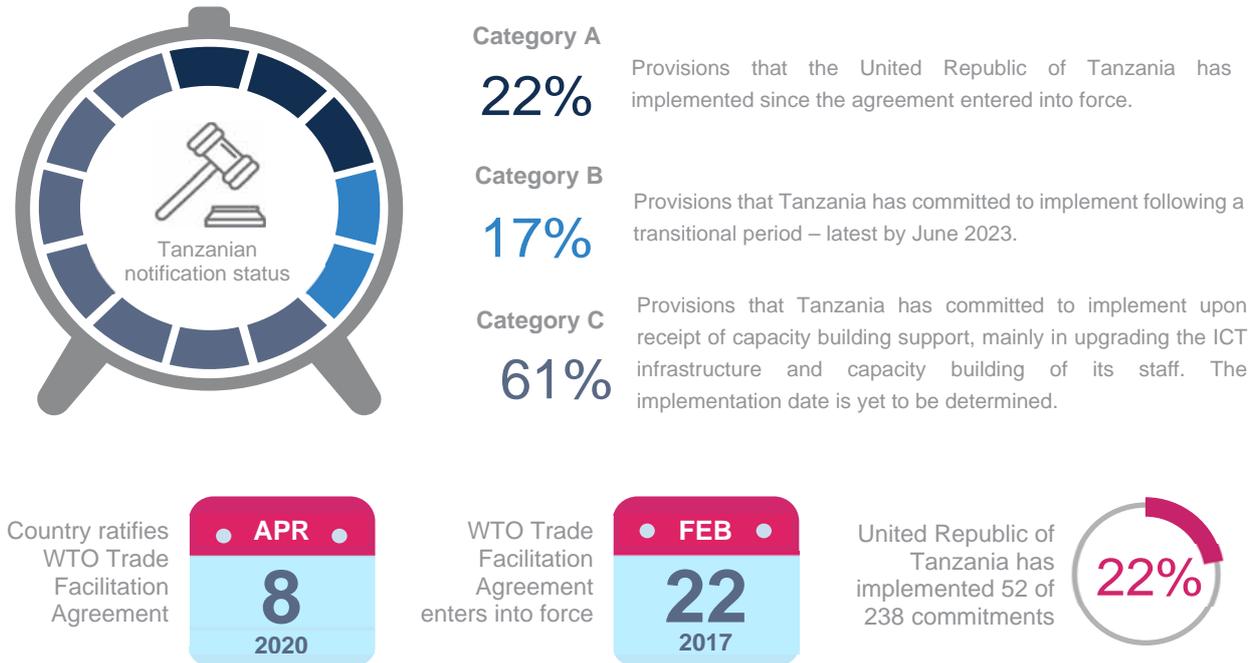


*Note 1: The number of companies corresponds to both regions of Pemba North and Pemba South.

*Note 2: The number of companies corresponds to the regions of Unguja Urban, Unguja North and Unguja South.

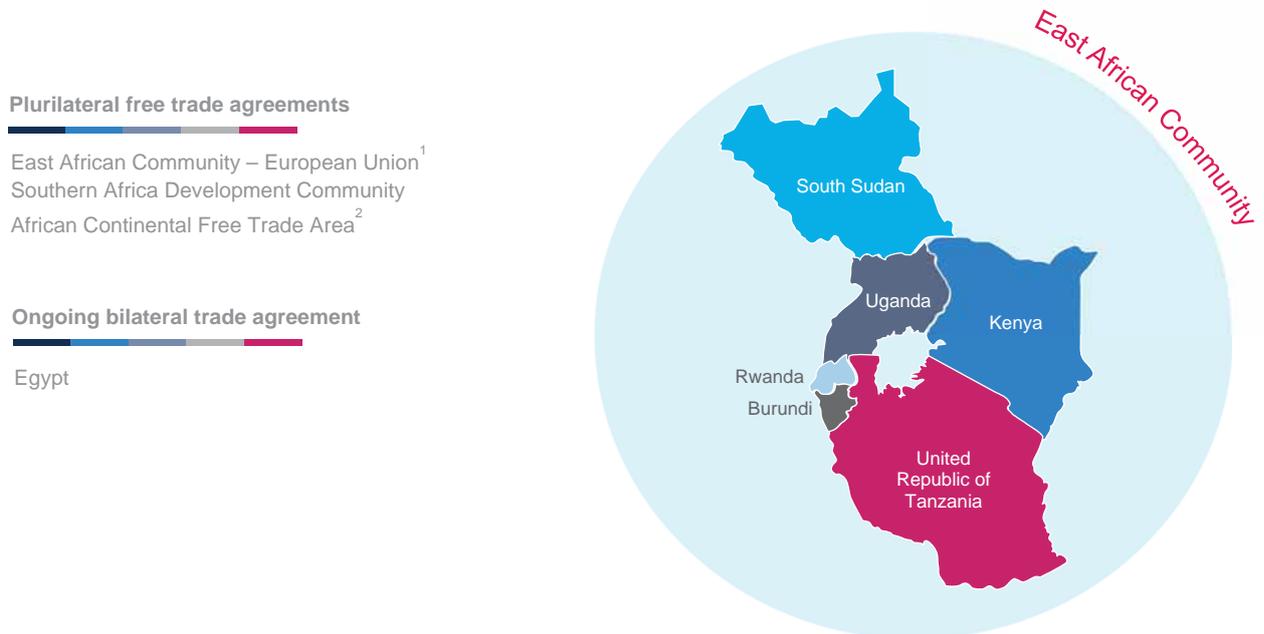
Source: Based on a registry of exporters compiled by ITC.

Figure VII Government ratified Trade Facilitation Agreement in April 2020



Source: WTO Trade Facilitation Agreement Database, status as of April 2021.

Figure VIII Membership in large regional trading blocs



¹ Interim agreement

² Agreement has been signed, but has not yet entered into force

Note: To the best of ITC's knowledge, this figure reflects the situation as of October 2020. The number and list of products for which preferences are granted varies from country/territory to country/territory. Only agreements with reciprocal preferences are shown. The United Republic of Tanzania may be granted preferential tariffs resulting from trade regimes such as the Generalized System of Preferences, i.e. from countries providing non-reciprocal preferential tariffs to developing and least developed countries.

Source: ITC Market Access Map, 2021.

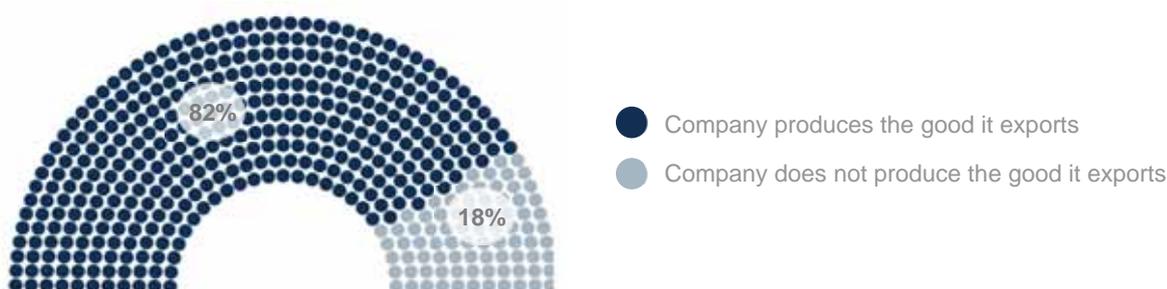
Profile of surveyed companies

The NTM Business survey interviewed 613 enterprises in the United Republic of Tanzania in 2019 and 2020. This section gives an overview of the company characteristics.

Most Tanzanian exporters are also producers

Most of the surveyed exporters (82%) either manufacture the goods they export or at least contribute with some value addition. The remaining 18% are exclusively traders who source goods from local producers and export them to foreign buyers. The survey does not cover firms whose primary business model is to provide export and import-related services to other companies (i.e. trade agents, forwarding companies, etc). These companies are neither traders nor producers of goods, but rather service providers.

Figure IX Most exporters are also producers

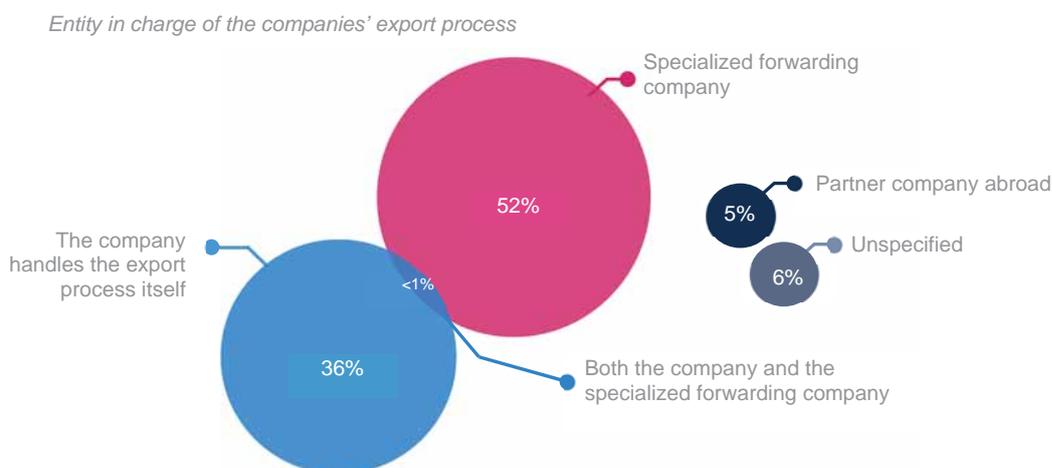


Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Export processes are mostly handled by forwarding companies

Around half of the exporters who were interviewed rely on a specialized forwarding company to handle their export process, while 36% manage the process themselves. Only 5% entrust the process to their partners abroad.

Figure X Most firms rely on specialized forwarding companies for their processes

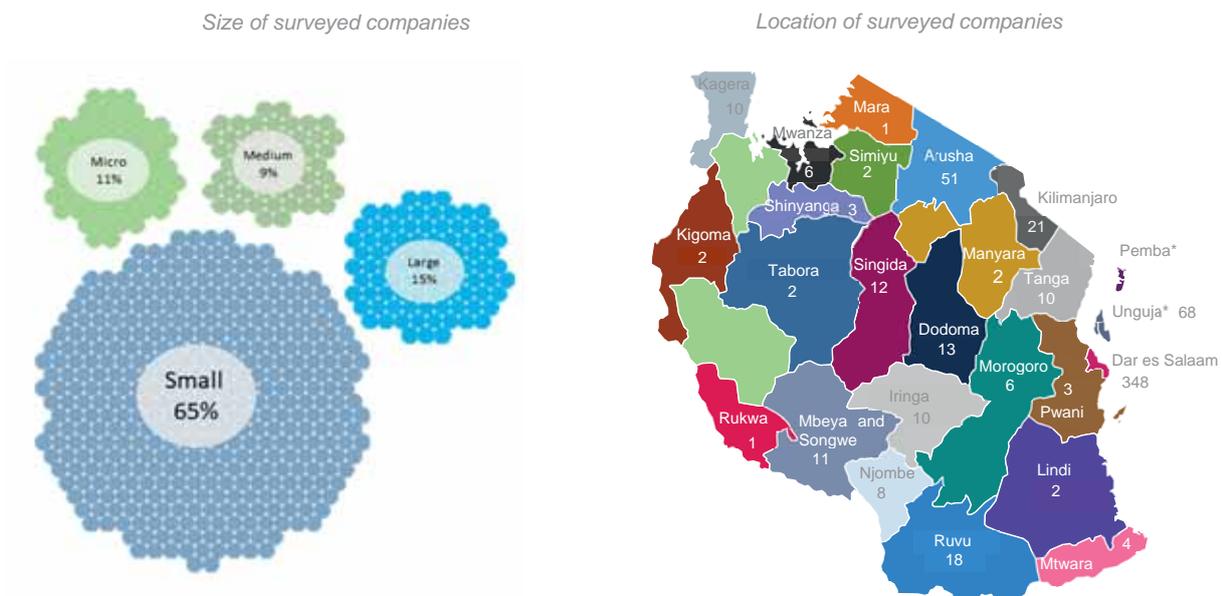


Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Three-quarters of exporters are micro and small firms; most are based in Dar es Salaam

More than three-quarters (76%) of the survey participants are micro and small enterprises and 9% are medium-sized companies. This highlights the importance of micro, small and medium-sized enterprises to the Tanzanian economy and the need to have their voices heard. About 15% of the surveyed companies are large.

Figure XI Most of surveyed companies are small and located in Dar Es Salaam



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

The classification of companies according to size refers solely to the number of employees⁵⁸ and relies on the national definition.⁵⁹ Companies with fewer than five employees are classified as micro, companies with five to 49 employees are small, companies with 50 to 99 are medium-sized, and those with more than 100 employees are classified as large.

The survey included companies located in 24 different regions of the country. Given that Dar es Salaam is the economic hub, with more than half of the exporting companies based there, and also one of the most important ports in East Africa, most interviewed firms also come from there. Other major areas include the Unguja regions located in the Island of Zanzibar, Arusha and Kilimanjaro.

The survey focused largely on exports of agricultural products

Agriculture⁶⁰ is the main export sector for almost 80% of all exporters interviewed. The five priority agricultural products – coffee, tea, avocado, spices and horticulture – represent 38% of the total interviewed companies. The remaining agricultural products are other fresh food and raw agri-based products (25%), and processed and packaged food (15%).

Manufacturing sectors make up 21% of the surveyed companies, including subsectors such as chemicals (5%), wood products (3%), metal and other basic manufacturing (3%), among others.

⁵⁸ The survey does not ask companies about the monetary value of their sales, revenue or profits.

⁵⁹ According to the Small and Medium Enterprise Development Policy of the Tanzanian Government of 2003.

⁶⁰ ITC categorizes the surveyed companies in two broad sectors (agriculture and manufacturing) and a further 13 subsectors – based on the main export of each business.

Figure XII Most surveyed companies mainly export agricultural products



Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

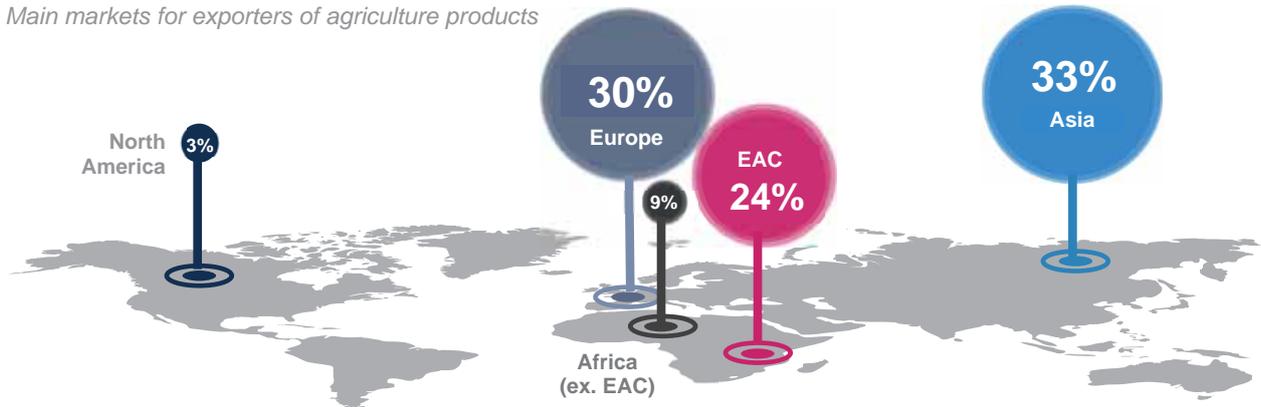
Africa, Europe and Asia are the key export markets for Tanzanian firms

The main destination market of Tanzanian exporters differs across the agriculture and manufacturing sectors. Africa, Europe and Asia are equally important markets for agricultural exporters. One-third of agrifood exporters identify Africa as their main export market, with 24% in the EAC and 9% in the rest of Africa. Likewise, 33% say Asia is their main market, followed by another 30% for Europe.

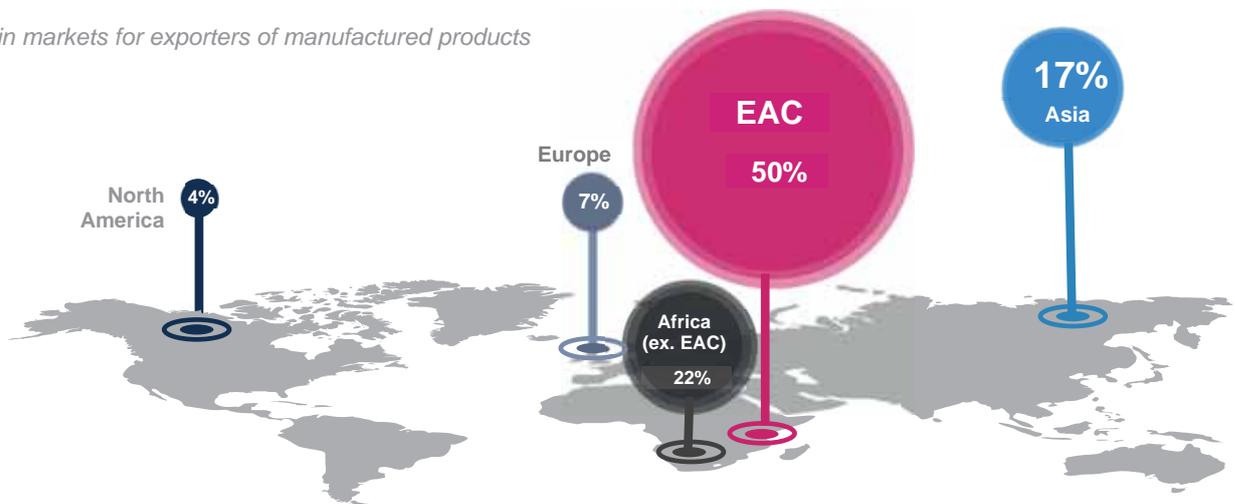
In contrast, 72% of the exporters of manufactured products say Africa is their main market – with 50% in the EAC and 22% in the rest of continental Africa. Only 17% and 7% of exporters of manufactured goods identify Asia and Europe as their main markets respectively.

Figure XIII Asia, Africa and Europe are equally important for agricultural exports

Main markets for exporters of agriculture products



Main markets for exporters of manufactured products

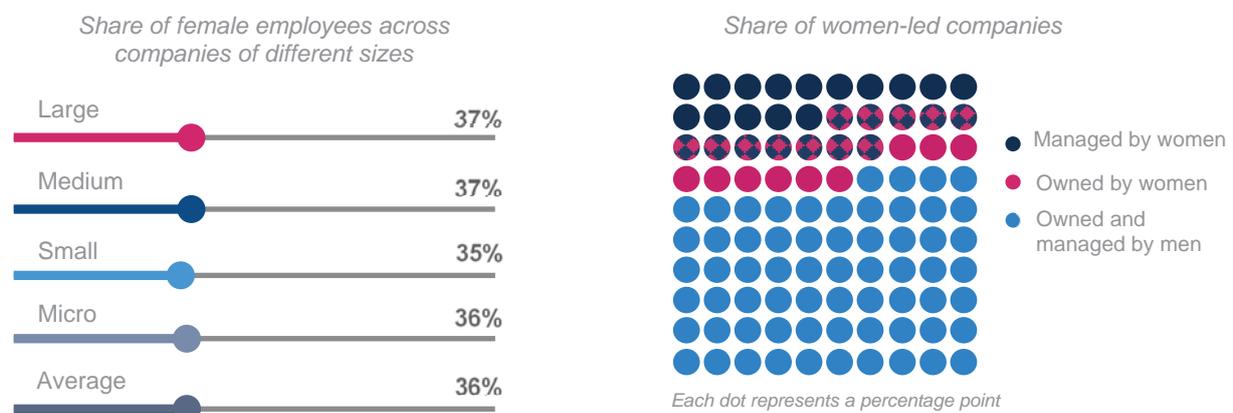


Source: ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

More than a third of trading company workers are women

On average, 36% of workers employed by Tanzanian trading businesses are women. This figure remains uniform across companies of different sizes. Women leadership in trading companies is relatively high compared to other developing countries. Women lead about 36% of these companies, while 15% are managed by woman, 9% are owned by women, and 12% are both managed and owned by women.

Figure XIV One in every three employees of trading businesses is a woman



Source: ITC calculations based on the ITC NTM Business Survey in the United Republic of Tanzania, 2019–2020.

Appendix I Non-tariff measures surveys: Global methodology

Non-tariff measure surveys

Since 2010, ITC has completed large-scale company-level surveys on burdensome non-tariff measures and related trade obstacles (NTM surveys hereafter) in over 70 countries on all continents.⁶¹ The main objective of the NTM surveys is to capture how businesses perceive burdensome NTMs and other obstacles to trade at a detailed level – by product and partner country.

All surveys are based on a global methodology consisting of a core part and a country-specific part. The core part of the NTM survey methodology described in this appendix is identical in all survey countries, which enables cross-country analyses and comparison. The country-specific part of the survey allows flexibility in addressing the requirements and needs of each participating country.

The growing role of non-tariff measures in trade

Over several decades, trade liberalization has been used as a development tool based on evidence that benefits accrue to countries actively engaged in world trade. Multilateral, regional and bilateral trade negotiations as well as non-reciprocal concessions have led to a remarkable reduction in global, average tariff protection. With favourable market access conditions, international trade has soared to previously unseen levels, raising overall welfare and standards of living.

The misuse of NTMs may undermine the impact of falling tariffs. The sound use of NTMs to ensure consumer health, protect the environment and safeguard national security is legitimate. However, evidence suggests that countries are resorting to NTMs as alternative mechanisms to protect domestic industries. NTMs have been negotiated within the General Agreement on Tariffs and Trade and at the World Trade Organization (WTO) since the Tokyo Round (1973–1979) and are increasingly dealt with in regional and bilateral trade agreements. Many practitioners consider they have surpassed tariffs in their trade-impeding effect.

NTMs particularly impact exporters and importers in developing and least developed countries (LDCs) that struggle with complex requirements. Firms in these countries often have inadequate domestic trade-related infrastructure and face administrative obstacles. NTMs that would not normally be considered very restrictive can represent major burdens in LDCs. In addition, the lack of export support services and insufficient access to information on NTMs impede the international competitiveness of firms. As a result, both NTMs applied by partner countries as well as domestic burdens have

an impact on market access and keep firms from seizing the trade opportunities created by globalization.

An overview of previous research and evaluation

In the literature, different methods have been used to evaluate the effects of NTMs. An early approach employed a concept of incidence with NTM coverage ratios. Such studies rely on extensive databases mapping NTMs per product and applying country. The largest database of official government-reported NTMs used to be the Trade Analysis and Information System published by the United Nations Conference on Trade and Development (UNCTAD), but data has been incomplete and updates irregularly.

In a multi-agency effort, ITC, UNCTAD and the World Bank are collecting data for a global NTM database with a focus on technical barriers to trade and sanitary and phytosanitary standards. The ITC Market Access Map features information on NTMs. However, as complete as the database may be, it reveals little about the impact of NTMs on the business sector nor does it provide information about related POs.

Scope and coverage of the non-tariff measure (NTM) surveys

The objective of the NTM surveys require a representative sample allowing for the extrapolation of the survey result to the country level. To achieve this objective, the NTM survey covers at least 90% of the total export value of each participating country (excluding minerals and arms). The economy is divided into 13 sectors, and all sectors with more than a 2% share in total exports are included in the survey.

The NTM survey sectors are defined as follows:

1. Fresh food and raw agri-based products
2. Processed food and agri-based products
3. Wood, wood products and paper
4. Yarn, fabrics and textiles
5. Chemicals
6. Leather
7. Metal and other basic manufacturing
8. Non-electric machinery
9. Computers, telecommunications and consumer electronics
10. Electronic components
11. Transport equipment
12. Clothing
13. Miscellaneous manufacturing

⁶¹ The work started in 2006, when the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) established the Group of Eminent Persons on Non-Tariff Barriers. The main purpose of the group was to discuss the definition, classification, collection and quantification of non-tariff barriers – to identify data requirements, and consequently advance understanding of NTMs and their impact on trade. To carry out the technical work of the group, a Multi-Agency Support Team was set up. Since then, ITC is advancing the work on NTMs in three directions. First, ITC has contributed to the international classification of non-tariff measures (NTM classification) that was finalized in November 2009 and updated in 2012. Second, ITC undertakes NTM surveys in developing countries using the NTM classification. Third, ITC, UNCTAD and the World Bank jointly collect and catalogue official regulations on NTMs applied by importing markets (developed and developing). This provides a complete picture of NTMs as official regulations serve as a baseline for the analysis, and the surveys identify the impact of the measures on enterprises and consequently on international trade.

Pilot NTM Surveys were carried out in cooperation with UNCTAD in 2008–2009 in Brazil, Chile, India, the Philippines, Thailand, Tunisia and Uganda. The pilot surveys provided a wealth of materials allowing for the significant improvement to both the NTMs classification and the NTM survey methodology. Since then, ITC has implemented NTM surveys based on the new methodology in over 70 countries.

Companies trading arms and minerals are excluded. The export of minerals is generally not subject to trade barriers due to a high demand and the specificities of trade undertaken by large multinational companies. The export of arms is outside of the scope of ITC activities.

The NTM surveys cover companies exporting and importing goods. Companies trading services are excluded, as a survey on NTMs in services would require a different approach and methodology. The NTM survey includes companies specialized in the export-import process and services, such as agents, brokers, and forwarding companies (referred to collectively as 'trading agents'). These companies can be viewed as service companies because they provide trade logistics services. The answers provided by trading agents are in most cases analysed separately from the answers of the companies that export their own products.

The NTM surveys cover legally registered companies of all sizes and types of ownership. Depending on country size and geography, one to four geographic regions with high concentrations of economic activities (high number of firms) are included in the sample.

Two-step approach

The representatives of the surveyed companies, generally export/import specialists or senior-level managers, are asked to report trade-related problems experienced by their companies in the preceding year that represent a serious impediment for their operations. To identify companies that experience burdensome NTMs, the survey process consists of telephone interviews with all companies in the sample (Step 1) and face-to-face interviews undertaken with the companies that reported difficulties with NTMs during the telephone interviews (Step 2).

Step 1: Telephone interviews

The first step includes short telephone interviews. Interviewers asked respondents to identify the main sector of activity of their companies and the direction of trade (export or import). The respondents are then asked whether their companies have experienced burdensome NTMs. If a company does not report any issues with NTMs, the interview is terminated. Companies that report difficulties with NTMs are invited to participate in an in-depth face-to-face interview.

Step 2: Face-to-face interviews

The second-step interviews are required to obtain all the details of burdensome NTMs and other obstacles at the product and partner country level. These interviews are conducted face-to-face due to the complexity of the issues related to NTMs. Face-to-face interactions with experienced interviewers helps to ensure that respondents from companies correctly understand the purpose and the coverage of the survey, and accurately classify their responses in accordance with predefined categories.

The questionnaire used to structure face-to-face interviews consists of three main parts. The first part covers the characteristics of the companies: number of employees, turnover and share of exports in total sales, whether the company exports its own products or represents a trading agent providing export services to domestic producers.

The second part is dedicated to exporting and importing activities of the company, with all trade products and partner countries recorded. During this process, the interviewer also identifies all products affected by burdensome regulations and countries applying these regulations.

During the third part of the interview, each problem is recorded in detail. A trained interviewer helps respondents identify the relevant government-imposed regulations, affected products, the partner country exporting or importing these products, and the country applying the regulation (partner, transit or home country).

Each burdensome measure (regulation) is classified according to the NTM classification, an international taxonomy of NTMs, consisting of over 200 specific measures grouped into 16 categories (see Appendix II). The NTM classification is the core of the survey, making it possible to apply a uniform and systematic approach to recording and analysing burdensome NTMs in countries with idiosyncratic trade policies and approaches to NTMs.

The face-to-face questionnaire captures the type of burdensome NTMs and the nature of the problem (so-called POs explaining why the measures represent an impediment), the place where each obstacle takes place, and the agencies involved, if any. For example, an importing country can require the fumigation of containers (NTM applied by the partner country), but fumigation facilities are expensive in the exporting country, resulting in a significant increase in export costs for the company (POs located in the home country). The companies can also report generic problems unrelated to any regulation, but affecting their exports or imports, such as corruption and lack of or inadequate export infrastructure. These issues are referred to as problems related to business environment (see Appendix III).

Follow-up interviews for the Tanzania NTM Business Survey 2019–2020

ITC had already conducted a NTM Business Survey in the United Republic of Tanzania in 2013–2014. For the 2019–2020 survey, the two-step approach included tailored follow-up interviews with companies that participated in the face-to-face interviews back in 2013–2014.

A modified telephone interview (Step 1) was applied to these companies. Besides the standard questions, interviewers asked whether the difficulties with NTMs reported back in 2013–2014 had been resolved, the extent to which they were resolved, and how they could solve the issues faced in the past. Companies that reported still facing the same – or new – difficulties with NTMs were invited to participate in the face to face interviews.

Partnering with local experts

Local experts selected through a competitive bidding procedure carry out the telephone interviews and face-to-face interviews. The partner is usually a company specializing in surveys. Generally, the NTM surveys are undertaken in local languages. The telephone interviews are recorded either by a Computer Assisted Telephone Interview system, computer spread sheets or on paper. The face-to-face interviews are initially captured using paper-based interviewer-led questionnaires that are then digitalized by the partner company using a spread sheet-based system developed by ITC.

Open-ended discussions

During the surveys of companies and preparation of the report, open-ended discussions are held with national experts and stakeholders, for example trade support institutions and sector/export associations. These discussions provide further insights, quality checks and validation of the NTM survey results. The participants review the main findings of the NTM survey and help to explain the reasons for the prevalence of the issues and propose possible solutions.

Confidentiality

The NTM survey is confidential. Confidentiality of the data is paramount to ensure the greatest degree of participation, integrity and confidence in the quality of the data. The paper-based and electronically captured data is transmitted to ITC at the end of the survey.

Sampling technique

The selection of companies for the phone screen interviews of the NTM survey is based on the stratified random sampling. In a stratified random sample, all population units are first clustered into homogeneous groups ('strata'), according to predefined characteristics, chosen to be related to the major variables being studied. In the NTM surveys, companies are stratified by sector, as the type and incidence of NTMs are often product-specific. Then simple random samples are selected within each sector.

The NTM surveys aim to be representative at the country level. A sufficiently large number of enterprises should be interviewed within each export sector to ensure that the share of enterprises experiencing burdensome NTMs is estimated correctly and can be extrapolated to the entire sector. To achieve this objective, a sample size for the telephone interviews with exporting companies is determined independently for each *export sector*.⁶²

For importing companies, the sample size is defined at the country level. The sample size for importing companies can be smaller than the sample size for exporters, mainly for two reasons. First, the interviewed exporting companies are often import intermediaries and provide reports on their experiences with NTMs as both exporters and importers. Second, problems experienced by importing companies are generally linked to domestic regulations required by their home country. Even with a small sample size for importing companies, the effort is made to obtain a representative sample by import sectors and the size of the companies.

Exporting companies have difficulties with both domestic regulations and regulations applied by partner countries that import their products. Although the sample size is not stratified by company export destinations, a large sample size permits a good selection of reports related to various export markets (regulations applied by partner countries). By design, large trading partners are mentioned more often during the survey because it is more likely that the randomly selected company would be exporting to one of the major importing countries.

The sample size for face-to-face interviews depends on the results of the telephone interviews.

Average sample size

The number of successfully completed telephone interviews can range from 150 to 1,000, with subsequent 150 to 300 face-to-face interviews with exporting and importing companies. The number of telephone interviews is mainly driven by the size and the structure of the economy, availability and quality of the business register and the response rate. The sample size for the face-to-face interviews depends on the number of affected companies and their willingness to participate.

Tanzania business registry

Prior to the survey, ITC compiled a registry of more than 1,600 active exporters in the United Republic of Tanzania, containing information on the type of products imported or exported by companies, together with their contact details. This registry was used to calculate the sample size and contact the companies for interviews.

Survey data analysis

The analysis of the survey data consists of constructing frequency and coverage statistics along several dimensions, including product and sector, NTMs and their main NTM categories (for example, technical measures, quantity-control measures), and various characteristics of the surveyed companies (for example, size and degree of foreign ownership).

The frequency and coverage statistics are based on 'cases'. A case is the most disaggregated data unit of the NTM survey. By construction, each company participating in a face-to-face interview reports at least one case of burdensome NTMs, and, if relevant, related POs and problems with the trade-related business environment.

Each case of each company consists of one NTM (a government-mandated regulation, for example a sanitary and phytosanitary certificate), one product affected by this NTM, and partner country applying the reported NTM. For example, if there are three products affected by the same NTM applied by the same partner country and reported by one company, the results would include three cases. If two different companies report the same problem, it would be counted as two cases.

The scenario where several partner countries apply the same type of measure is recorded as several cases. The details of each case (e.g. the name of the government regulations and its strictness) can vary, as regulations mandated by different countries are likely to differ. However, if the home country of the interviewed companies applies an NTM to a product exported by a company to several countries, the scenario will

⁶²The sample size depends on the number of exporting companies per sector and on the assumptions regarding the share of exporting companies that are affected by NTMs in the actual population of this sector. The calculation of a sample size will be based on the equation below (developed by Cochran, 1963) to yield a representative sample for proportions in large populations (based on the assumption of normal distribution).

$$n = \frac{t^2 * p(1-p) * N}{d^2 * N + t^2 * p(1-p)}$$

Where

n_o : Sample size for large populations

t: t-value for selected margin of error (d). In the case of the NTM Survey 95% confidence interval is accepted, so t-value is 1.96.

- p: The estimated proportion of an attribute that is present in the population. In the case of the NTM survey, it is a proportion of companies that experience burdensome NTMs. As this proportion is not known prior to the survey, the most conservative estimate leading to a large sample size is employed, that is $p=0.5$.
- d: Acceptable margin of error for the proportion being estimated. In other words, a margin of error that the researcher is willing to accept. In the case of NTM survey $d=0.1$.

Source: Cochran, W. G. 1963. *Sampling Techniques*, 2nd Ed., New York: John Wiley and Sons Inc.

be recorded as a single NTM case. When an interviewed company both exports and imports, and reports cases related to both activities, it is included in the analysis twice – once for the analysis of exports and once for the analysis of imports. The distinction is summarized in the Table below.

Dimensions of an NTM case

Dimensions	Country applying	
	Home country (where survey is conducted)	Partner countries and transit countries
Reporting company		
Affected product (HS 6-digit code or national tariff line)		
Applied NTM (measure-level code from the NTM classification)		
Trade flow (export or import)		
Partner country applying the measure		

Cases of POs and problems with the business environment are counted in the same way as NTM cases. The statistics are provided separately from NTMs, even though in certain instances they are closely related. For example, delays can be caused by the pre-shipment inspection requirements. As many of the POs and problems with the business environment are not product specific, the statistics are constructed along two dimensions: type of obstacles and country where they occur, as well as agencies involved.

Enhancing local capacities

The NTM surveys enhance national capacities by transmitting skills and knowledge to a local partner company. ITC does not implement the NTM surveys, but guides and supports the local survey company and experts.

Before the start of the NTM survey, the local partner company, including project managers and interviewers are fully trained on the different aspects of the NTMs, the international NTM classification and the ITC NTM Survey methodology. ITC representatives stay in the country for the launch of the survey and initial interviews, and remain in contact with the local partner during the entire duration of the survey, usually around six months, to ensure a high quality of survey implementation. ITC experts closely follow the work of the partner company and provide regular feedback on the quality of the captured data (including classification of NTMs) and the general development of the survey, which helps the local partner to overcome any possible problems.

ITC also helps to construct a business register (list of exporting and importing companies with contact details), which remains at the disposal of the survey company and national stakeholders. The business register is a critical part of any company-level survey, but unfortunately it is often unavailable, even in the advanced developing countries.

ITC invests much time, effort and resources into constructing a national business register of exporting and importing companies. The initial information is obtained with the help of national authorities and other stakeholders (for example, sectoral associations). In cases where it is not available from government sources or a sectoral association, ITC purchases information from third companies, and in certain cases digitalizes it from paper sources. The information from various sources is then processed and merged into a comprehensive list of exporting and importing companies.

Upon completion of the survey, the local partner company is fully capable of independently implementing a follow-up survey or other company-level surveys as it is equipped with the business register and trained on the survey methodology as well as trade and NTM-related issues.

Caveats

The utmost effort is made to ensure the representativeness and the high quality of the NTM Survey results, yet several caveats must be kept in mind.

First, the NTM Surveys generate perception data, as the respondents are asked to report burdensome regulations representing a serious impediment to their exports or imports. The respondents may have different scales for judging what constitutes an impediment. The differences may further intensify when the results of the surveys are compared across countries, stemming from cultural, political, social, economic and linguistic differences. Some inconsistency may be possible among interviewers. For example, these are related to matching reported measures against the codes of the NTM classification due to the complex and idiosyncratic nature of NTMs.

Second, in many countries a systematic business register covering all sectors is not available or incomplete. As a result, it may be difficult to ensure random sampling within each sector and a sufficient rate of participation in smaller sectors. Whenever this is the case, the NTM survey limitations are explicitly provided in the corresponding report.

Finally, certain NTM issues are not likely to be known by the exporting and importing companies. For example, exporters may not know the demand-side constraints behind the borders. An example is 'buy domestic' campaigns. The scope of the NTM survey is limited to legally operating companies and does not include unrecorded trade, for example shuttle traders.

Following up on the ITC Non-Tariff Measure Survey

The findings of each ITC NTM Survey are presented and discussed at a stakeholder workshop. The workshop brings together government officials, experts, companies, donors, non-governmental organizations (NGOs) and academics. It fosters a dialogue on NTM issues and helps identify possible solutions to the problems experienced by exporting and importing companies.

The NTM survey results serve as a diagnostic tool for identifying and solving predominant problems. These problems can be addressed at the national or international level. The NTM survey findings can also serve as a basis for designing projects to address the challenges identified and for supporting fundraising activities.

Appendix II Non-tariff measures classification

Importing countries are very idiosyncratic in the ways they apply non-tariff measures (NTMs). This called for an international taxonomy of NTMs, which was prepared by the Multi-Agency Support Team, a group of technical experts from eight international organizations, including the Food and Agricultural Organization of the United Nations, the International Monetary Fund, ITC, the Organisation for Economic Co-operation and Development, the United Nations Conference on Trade and Development, the United Nations Industrial Development Organization, the World Bank and WTO. It is used to collect, classify, analyse and disseminate information on NTMs received from official sources such as government regulations.

For the purpose of the large-scale company surveys on NTMs, ITC uses a simplified version of this international classification.

The NTM classification for surveys differentiates measures according to 16 chapters (denoted by alphabetical letters, see below), each comprising subchapters (denoted by two letters) and the individual measures (denoted by two letters and a number). The following sketches the content of each of the 16 chapters.

Chapter A – Technical Regulations

Product-related requirements that are legally binding and set by the importing country. They define the product characteristics, technical specifications of a product or the production process and post-production treatment and comprise the applicable administrative provisions, with which compliance is mandatory. Technical requirements include sanitary and phytosanitary measures, which are generally implemented to protect human, animal and plant life, and health.

Chapter B – Conformity Assessment

Measures determining whether a product or a process complies with the technical requirements specified under Chapter A. It includes control, inspection and approval procedures – such as testing, inspection, certification and traceability – which confirm and control that a product fulfils the technical requirements and mandatory standards imposed by the importing country, for example to safeguard the health and safety of consumers.

Chapter C – Pre-shipment Inspection and Other Formalities

Practice of checking, consigning, monitoring and controlling the shipment of goods before or at entry into the destination country.

Chapter D – Trade remedies

Measures implemented to counteract particular adverse effects of imports in the market of the importing country, including measures aimed at “unfair” foreign trade practices, contingent upon the fulfilment of certain procedural and substantive requirements. They are also known as trade contingent protective measures.

Chapter E – Quantity-Control Measures

Measures restraining the quantity of imports of any particular good, from all sources or from specified sources of supply, either through restrictive licensing, fixing of a predetermined quota or through prohibitions. Quantity control measures are non-technical and do not refer to specific product characteristics.

Chapter F – Charges, taxes and price control measures

Measures other than tariffs that increase the cost of imports in a similar manner, i.e. by a fixed percentage or by a fixed amount. They are also known as para-tariff measures. Customs surcharges and general sales taxes are examples. This category also includes measures implemented to control or affect the prices of imported goods in order to: support the domestic price of certain products when the import prices of these goods are lower; establish the domestic price of certain products because of price fluctuation in domestic markets, or price instability in a foreign market; or to increase or preserve tax revenue.

Chapter G – Finance Measures

Measures that are intended to regulate the access to and cost of foreign exchange for imports and define the terms of payment. They may increase import costs in the same manner as tariff measures.

Chapter H – Anti-Competitive Measures

Measures intended to grant exclusive or special preferences or privileges to one or more limited groups of economic operators.

Chapter I – Trade-Related Investment Measures

Measures that restrict investment by requesting local content, or requesting that investment be related to export to balance imports.

Chapter J – Distribution Restrictions

Restrictive measures related to the internal distribution of imported products.

Chapter K – Restrictions on Post-Sales Services

Measures restricting the provision of post-sales services in the importing country by producers of exported goods.

Chapter L – Subsidies

Measures related to financial contributions by a government or government body to a production structure, be it a particular industry or company, such as direct or potential transfer of funds (e.g. grants, loans, equity infusions), payments to a funding mechanism and income or price support.

Chapter M – Government Procurement Restrictions

Measures controlling the purchase of goods by government agencies, generally by preferring national providers.

Chapter N – Intellectual Property

Measures related to intellectual property rights in trade. Intellectual property legislation covers patents, trademarks, industrial designs, layout designs of integrated circuits, copyright, geographical indications and trade secrets.

Chapter O – Rules of Origin

Covers laws, regulations and administrative determinations of general application applied by the governments of importing countries to determine the country of origin of goods.

Chapter P – Export-Related Measures

Encompasses all measures that countries apply to their exports. It includes export taxes, export quotas or export prohibitions, among others.

The structure of the NTM classification for ITC surveys

A to O. Import related measures

Measures imposed by the country importing the goods. From the perspective of an exporter, these are the measures applied by the destination country of your product. From the perspective of an importer, these are the measures applied by your own country on the goods that you import.

Technical measures	A. Technical requirements	
	B. Conformity assessment	
Non-technical measures	C. Pre-shipment inspection and other entry formalities	
	D. Trade remedies (antidumping, countervailing and safeguards)	
	E. Quantity control measures (e.g. licences, quotas, prohibitions)	
	F. Charges, taxes and price control measures	
	G. Finance measures	
	H. Anti-competitive measures	L. Subsidies
	I. Trade-related investment measures	M. Government procurement restrictions
	J. Distribution restrictions	N. Intellectual property
	K. Restriction on post-sales services	O. Rules of origin and related certificate of origin

P. Export related measures

Measures imposed by the country exporting the goods. From the perspective of an exporter, these are the measures imposed by your own country on the goods you export from your country. From the perspective of an importer, these measures are imposed by the country of origin on the goods you import from this country.

P.O. List of procedural obstacles

This list provides a categorization of the problems related to NTMs that exporters and importers experience.

Source: International Trade Centre, NTM classification adapted for ITC surveys, 2015 (unpublished document).

Appendix III Procedural obstacles

Following is a list of POs related to compliance with non-tariff measures and to an inefficient trade-related business environment and infrastructure.

A

Administrative burdens related to regulations

- A1. Large number of different documents
- A2. Documentation is difficult to fill out
- A3. Difficulties with translation of documents from or into other languages
- A4. Numerous administrative windows/organizations involved, redundant documents

B

Information or transparency issues

- B1. Information on selected regulation is not adequately published and disseminated
- B2. No due notice for changes in selected regulation and related procedures
- B3. Selected regulation changes frequently
- B4. Requirements and processes differ from information published

C

Discriminating behaviour of officials

- C1. Arbitrary behaviour of officials regarding classification and valuation of the reported product
- C2. Arbitrary behaviour of officials with regards to the reported regulation

D

Time constraints

- D1. Delay related to reported regulation
- D2. Deadlines set for completion of requirements are too short

E

Informal or unusually high payments

- E1. Unusually high fees and charges for reported certificate/regulation
- E2. Informal payment, e.g. bribes for reported certificate/regulation

F

Lack of sector-specific facilities

- F1. Limited/inappropriate facilities for testing
- F2. Limited/inappropriate facilities for sector-specific transport and storage, e.g. cold storage, refrigerated trucks
- F3. Other limited/inappropriate facilities, related to reported certificate/regulation

G

Lack of recognition or accreditations

- G1. Facilities lacking international accreditation/recognition
- G2. Other problems with international recognition, e.g. lack of recognition of national certificates

H

Other procedural obstacles

- H1. Other procedural obstacles

Appendix IV Abolished fees on agriculture, fisheries and livestock licences and permits

Product	Fees that have been abolished
Tobacco	<ol style="list-style-type: none"> 1. Contribution to Region Cooperative \$0.072 per kg 2. Union Levy \$0.030 per kg 3. Marketing cost \$0.070 4. Loan guarantee 1% 5. Licence Application Form Tsh. 200,000 6. Dry Leaf Tobacco Buying Licence (Domestic sales) – VFC Tsh 8,000,000 7. Dry Leaf Tobacco Buying Licence (Domestic sales) – DFC Tsh 8,000,000 8. Green Leaf Tobacco Buying Licence at Factory – VFC Tsh 8,000,000 9. Tobacco Processing Licence Tsh 20,000,000 10. Green Leaf Tobacco Buying Licence - (VFC) per district \$3,500 11. Tobacco export licence \$4,000 12. Tobacco Council Fee -0.01 Per kg)
Coffee	<ol style="list-style-type: none"> 13. Green Coffee Export Licence Tsh 2,000,000 14. Warehouse licence Tsh 1,000,000 15. Curing/hulling licence Tsh. 2,000,000 16. Premium coffee exports for companies Tsh.2000,000 17. Premium coffee exports for Cooperatives Tsh.2,000,000 18. Roast beans and Instant Coffee Export Tsh 1,000,000 19. Parchment/dry cherry coffee buying licence for companies Tsh 2,000,000 20. Green Coffee Export Licence for companies and cooperatives Tsh 40,000 21. Warehouse licence for companies and cooperatives Tsh 40,000) 22. curing/hulling licence for companies and cooperatives Tsh 40,000) 23. premium coffee exports for companies Tsh 40,000 24. premium coffee exports for cooperatives Tsh 40,000 25. Roast beans and Instant Coffee Export for companies and cooperatives Tsh 40,000 26. Local roasting licence for companies and cooperatives Tsh 40,000 27. Cherry Processing Licence \$20 28. Parchment/dry cherry coffee buying licence for companies Tsh 40,000 29. Research cost on coffee 0.75% per coffee price 30. Contribution to coffee auctions 0.2% per purchased coffee
Sugar	<ol style="list-style-type: none"> 31. licence fee on importation of sugar for industrial Tsh. 200,000 32. licence fee on importation for sugar gap Tsh. 200,000 33. Licensing Sugar Millers - New Establishment- Full licence \$30,000 34. Licensing Sugar Millers - New Establishment- Provisional licence \$20,000 35. Licensing Sugar Min - New Establishment- Full licence \$5,000 36. Licensing Sugar Min - New Establishment, Provisional - Min licence \$2,500 37. Licensing Sugar Millers - Renewals for existing after three years large Millers Tsh 20,000,000 38. Licensing Sugar Millers - Renewals for existing after three years mini Millers Full licence Tsh 5,000,000 39. Licensing Sugar Millers - Renewals for existing after three years mini Millers Full licence Tsh 2,000,000 40. Licensing Jaggery Millers Tsh 250,000 41. Registration fee for larger Industrial Sugar importers above 5000MT, Tsh 5,000,000 42. Registration fee for middle Industrial Sugar importers between (1001 - 5000MT), Tsh 2,000,000 43. Registration fee for small Industrial Sugar importers above 5000MT, Tsh 500,000 44. Registration fee for Sugar traders of the normal use, Tsh 2000,000 45. Permit fee for industrial importation per year Tsh. 200,000 46. Permit fee for importation of sugar gap per year Tsh. 1,000,000
Cotton	<ol style="list-style-type: none"> 47. Charges for cotton market at district level Tsh. 5,000
Tea	<ol style="list-style-type: none"> 48. Education Development levy Tsh. 10 per Kg at Meatu District
Cashew nut	<ol style="list-style-type: none"> 49. Farmers administrative contributions Tsh 5 per Kg 50. Licence fee for purchasing cashew nut Tsh. 2,000,000
Fertilizer Regulatory Authority	<ol style="list-style-type: none"> 51. Packaging materials fee Tsh 56 per Kg 52. Registration fee for Fertilizer dealers Tsh. 100,000 53. Licence fee for Fertilizer dealers Tsh. 40,000 54. Registration of Products Tsh. 100,000. 55. Registration fee for Sterilizing plants or Manufacturer Tsh. 2,000,000 56. Standards fee for Fertilizer research centres Tsh 60,000,000
Tanzania Official Seeds Certification	<ol style="list-style-type: none"> 57. Form registration levy for dealers Tsh 2,500 58. Form testing levy for DUS Tsh. 2500 59. Form testing levy for NTP Tsh. 2500 60. Inspection levy for seeds at farms Tsh 3,500 61. Form testing levy per lot NTP Tsh. 2,000 62. Seeds transportation permit Tsh. 2,500 63. Notice Levy for transportation or importation Tsh 2,500
Tanzania Cooperative Development Commission	<ol style="list-style-type: none"> 64. Registration fee for amendment of the Terms of the Primary Cooperative Association at the rate of Tsh. 20,000 65. Registration fee for amendment of the Terms of the Cooperative of the High Cooperative at the rate of Tsh. 40,000.

Product	Fees that have been abolished
	<p>66. Registration fee for amendment of the Terms of the Central Cooperative Association at the rate of Tsh. 80,000</p> <p>67. Registration fee for amendment of the Terms of the Cooperative Union, Tsh. 200,000</p> <p>68. Registration fee for amendment of the Terms of Cooperative Union in joint investment at the rate of Tsh. 80,000</p> <p>69. Investigation fee in the Register of Primary Cooperative Association at the rate of Tsh. 5,000.</p> <p>70. Examination fee in the Register of the Cooperative Association of Higher Associations at the rate of Tsh. 10,000.</p> <p>71. Investigation fee in the Register of Central Cooperative Association at the rate of Tsh. 20,000.</p> <p>72. Investigation fee in the Federal Register of Cooperatives at the rate of Tsh. 20,000.</p> <p>73. Investigation fee in the Register of Cooperative Association for joint investment at the rate of Tsh. 15,000.</p> <p>74. Inspection fee for records or information of the Primary Cooperative Association at the rate of Tsh. 5,000.</p> <p>75. Audit fee or information of the High Cooperative Association at the rate of Tsh. 10,000</p> <p>76. Audit fee or information of Central Cooperative Association at the rate of Tsh. 15,000.</p> <p>77. Inspection fee for records or information of the Federation of Cooperatives in the amount of Tsh. 20,000.</p> <p>78. Audit fee or Cooperative Association information for joint investment at a rate of Tsh. 15,000.</p> <p>79. Fee for issuing copies of certified or non-certified documents to the Primary Cooperative Association at the rate of Tsh. 10,000.</p> <p>80. Fee for issuing copies of certified or non-certified documents to the High Cooperative Association at the rate of Tsh. 20,000</p> <p>81. Fee for issuing copies of certified or non-certified documents to the Central Cooperative Association at the rate of Tsh. 30,000.</p> <p>82. Fee for issuing copies of certified or uncertified documents to the Federation of Cooperatives at the rate of Tsh. 60,000.</p> <p>83. Fee for issuing copies of certified or non-certified documents to the Cooperative Association for joint investment at the rate of Tsh. 20,000.</p>
Agricultural Inputs Trust Fund	84. Document fee which is 1% of the value of the loan
Dairy industry	<p>85. Stakeholder registration fee</p> <ul style="list-style-type: none"> • Producers • Large: more than 500 litres per day 100,000 shillings • Medium: 101 to 500 litres per day 50,000 shillings • Small: from 10 to 100 litres per day 5,000 shillings • Milk collectors • Large: 5,000 litres per day 250,000 shillings • Medium: 1,000 to 5,000 litres per day 150,000 shillings • Small: less than 1,000 litres per 50,000 days • Distributors 500,000 shillings <p>86. Export application fee. The permit is not charged but they only pay an application fee of TSh 30,000 per consignment</p>
Meat industry	<p>87. Livestock keeping registration fee: large Tsh 75,000, Medium Tsh 50,000, Small Tsh 15,000</p> <p>88. Auction Registration Fee: Initially - Tsh 30,000, Upper and border - Tsh 50,000</p> <p>89. Livestock Registration Fee: Tsh 52,000</p> <p>90. Export clearance certificate Tsh 50,000 per cow; Tsh 10,000 for each goat and sheep.</p>
Livestock health service	<p>91. Permit to import cow hides for 5,000 shillings and export cow hides for Tsh 10,000 per piece</p> <p>92. Permit to import goat / sheep skins per piece Tsh 200 and export Tsh 500</p> <p>93. Health permit to transport cattle within the district Tsh 1,000</p> <p>94. Health permit to transport sheep and goats within the District Tsh 500</p> <p>95. Health permit for transporting Horses / Donkeys into the district Tsh 750</p> <p>96. Permit to transport Camels within the District Tsh 1,000</p> <p>97. Permit to transport Pigs within the District Tsh 1,000</p> <p>98. Permit to export chickens (DOC) 1,000 shillings per 100 chicks.</p> <p>99. Permit to export poultry, 200 Tsh per poultry</p> <p>100. Permit to export eggs Tsh 20 per egg</p> <p>101. Permit to transport edible eggs (table eggs) in a tray of 30 eggs Tsh 500</p> <p>102. Permit to export wild animals Tsh 1,000 per animal</p> <p>103. Permit to transport wild birds Tsh 500 per bird</p> <p>104. Permit to export meat Tsh 50 per kg</p> <p>105. Permit to transport milk Tsh 20 per litre</p> <p>106. Permit to transport Dogs and Cats Tsh 1,000 per animal</p> <p>107. Permit to export fertilizer Tsh 1,000 per tons</p> <p>108. Individual/company with approved shore-based fish processing establishment fee \$5.04</p> <p>109. Individual/ company without approved shore-based fish processing establishment fee \$7.56</p> <p>110. Export royalty, charged per kilogram and grade \$0.60 per kg.</p> <p>111. Movement Permit Fee (101 – 1,000kg Tsh 5,000, from 1001 - 5000kg Tsh 10,000, from 5,001kg – 9,999kg Tsh 30,000, from 10,000kg & above Tsh 50,000</p> <p>112. Auditing fees = Tsh 100,000</p> <p>113. Sanitary Certificate for inspecting fishery products Tsh 30,000</p> <p>114. Registration fee for fishing vessel less than 11 metres for small-scale fishermen Tsh. 20,000</p>

Appendix V Abolished fees and permits from other sectors

Institution	Fees and permits that have been abolished
Tanzania Food and Drugs Authority	1 Retention fees for domestic products on registration of: - Vaccines and Biologicals \$150; Herbal medicines \$150; medical devices \$100; diagnostics \$250; food \$10; antiseptics and diagnostics Tsh 100,000/=
	2 Fees for duplicate certificates on diagnostic \$100;
	3 Inspection fees for new food selling outlets Tsh 50,000;
	4 Registration fees for Retails Veterinary Pharmacy Tsh 50,000/= to Tsh 100,000/=;
	5 Inspection fees for fish industries Tsh 200,000 to Tsh 250,000;
	6 Inspection fees for new fish outlets Tsh 50,000/=)
	7 Annual business licence fees on fish outlets Tsh 50,000/= to Tsh 300,000/=
Tanzania Bureau of Standards (TBS):	8 Application fees of 50,000 shillings for TBS mark;
	9 TBS mark guarantee fees (15% of overhead and transport costs);
	10 TBS mark licence fees (50% of cost of transport and testing of sample from the market;
	11 Application form fees of 50,000 shillings for imported goods
	12 Calibration of equipment based on industrial metrology fees. The amount payable depends on the distance covered from the office to the place e.g. For Dar es salaam it is 10,000 shillings; and
13 Application form on imported cosmetics and medical devices including condoms, syringes, gloves, cotton wool and bandage (0.2% of transport costs).	
Government Chemist Laboratory Authority	14 Service charge for cancellation and issuing of new permit \$50;
	15 Service charge for replacement of permit \$50
	16 Registration of Clearing Agents Company \$500 per registration period;
	17 Change of registration information \$100 per registration period
	18 Emergency Inspection \$300 per inspection
	19 Annual maintenance fee for form industries \$1,000;
	20 Annual maintenance fee for paint industries \$1,000
	21 Annual maintenance fee for textile industries \$1,000
	22 Annual maintenance fee for leather industries \$1,000
	23 Annual maintenance fee for plastic industries \$1,000
	24 Annual maintenance fees for other large industries \$1,000
	25 Annual maintenance fees for other small industries \$250
	26 Annual maintenance fees for large distributors \$1,000;
	27 Annual maintenance fees for medium distributors \$500
	28 Chemical registration and renewal fees from \$20 to Tsh 40,000/= per chemical per registration
	29 Charge Tsh 200,000 for large scale certificate holder registration and Tsh 50,000 for small scale certificate holder per registration period
	30 Charge Tsh 200,000/= for large scale premises registration per registration and small-scale premises registration per registration instead of \$100
	31 Fee for sorting of obsolete chemicals per day per person from \$300 to Tsh 300,000/= per day per person
	32 Identification and approval of disposal method fees from \$500 to Tsh 200,000 per chemical
	33 Fees charged on supervising of loading, transportation, unloading and disposal of obsolete chemicals from \$300 to Tsh300,000 per day per person;
34 Premises inspection fees from \$200 to Tsh 300,000 per inspection	
35 Transportation Routes assessment and emergency inspection fees from \$100 to Tsh 150,000 per person per day;	
36 Escorting of chemical convoy fees from \$100 to Tsh 150,000 per person per day	
37 Transportation of on transit hazardous and other chemical (Table for reference)	
Ministry of Livestock and Fisheries	38 Licence fee of 5,000 shillings for milk producers below 51 litres
	39 Licence fee of 50,000 shillings for milk collectors below 201 litres
	40 Registration fee of 5,000 shillings for milk producers below 51 litres
	41 Licence for registration of 500,000 shillings of carriers and containers permit for transportation of milk
	42 Licence fee of 15,000 shillings for small scale meat producers
	43 Licence fee of 50,000 shillings for medium-scale producers
	44 Registration fee of 75,000 for large-scale producers
	45 Registration fee of 20,000 shillings for primary markets operator
	46 Registration fee of 30,000 shillings for secondary and border markets operators
	47 Registration fee of 50,000 shillings for secondary and border markets
48 Registration fee of 30,000 shillings for local and primary market traders	
49 Registration fee of 60,000 for secondary and border markets traders	
50 Registration fee of 100,000 for meat exporter	
51 Movement permit fee of 1,000 shillings for transportation of day-old chick per 100;	
52 Movement permit fee of 200 shillings for transportation of adult/Guinea fowl per each	
Ministry of Natural Resources and Tourism	53 Remove of trophy handling fees and TALA fees on professional hunting charged by the natural resources and tourism sector
Ministry of Water	54 Remove of the fee imposed on borehole which starts from 100,000 shillings depending on the utilization of water

Appendix VI Tanzanian laboratories for food testing

Laboratories	Certification/Accreditation		Products	Parameters covered														
	ISO 17020:2012	ISO 17025:2012		Chemical arametersp	Micro-biological Analysis	Heavy Metals	Moisture	Carbo-hydrates	Contaminants Analysis	Antibiotic Residues	Pesticide Residues	Food pathogens	Histamine	Veterinary drug residues	Radioactive materials	Dioxins & PCB	Food allergen	GMO testing
TBS Chemistry Laboratory		•	Water	•														
TBS Food Laboratory		•	Food, agriculture products, cosmetics and environmental samples.	•	•				•	•	•							
The National Fish Quality Control Laboratory	•	•	Fresh and frozen fish Fresh fruits and vegetables Bakery	•	•	•							•					
Tanzania Atomic Energy Commission			Food for human and animal consumption											•				
SGS Tanzania	•	•	Food and agriculture							•				•	•	•	•	•
Intertek Testing Services		•	Food and agriculture															
Modern Inspection and testing Company			Food and agriculture	•	•													•

Appendix VII Products included in the priority sectors

Sector	HS code	Product description
Avocado	080440	Avocados, fresh or dried
Coffee	090111	Coffee, not roasted, not decaffeinated
	090112	Coffee, not roasted, decaffeinated
	090121	Coffee, roasted, not decaffeinated
	090122	Coffee, roasted, decaffeinated
	090190	Other coffee
Tea	090210	Green tea (not fermented) in immediate packings of a content not exceeding 3 kg
	090220	Other green tea (not fermented)
	090230	Black tea (fermented) and partly fermented tea, in immediate packings of a content not exceeding 3 kg
	090240	Other black tea (fermented) and other partly fermented tea
Spices	090411	Pepper: Neither crushed nor ground
	090412	Pepper: Crushed or ground
	090421	Fruits of the genus Capsicum or of the genus Pimenta: Dried, neither crushed nor ground
	090422	Fruits of the genus Capsicum or of the genus Pimenta: Crushed or ground
	090510	Vanilla: Neither crushed nor ground
	090520	Vanilla: Crushed or ground
	090611	Cinnamon: Neither crushed nor ground
	090619	Other Cinnamon and cinnamon-tree flowers: Neither crushed nor ground
	090620	Cinnamon and cinnamon-tree flowers: Crushed or ground
	090710	Cloves: Neither crushed nor ground
	090720	Cloves: Crushed or ground
	090811	Nutmeg: Neither crushed nor ground
	090812	Nutmeg: Crushed or ground
	090821	Mace: Neither crushed nor ground
	090822	Mace: Crushed or ground
	090831	Cardamoms: Neither crushed nor ground
	090832	Cardamoms: Crushed or ground
	090921	Seeds of coriander: Neither crushed nor ground
	090922	Seeds of coriander: Crushed or ground
	090931	Seeds of cumin: Neither crushed nor ground
	090932	Seeds of cumin: Crushed or ground
	090961	Seeds of anise, badian, caraway or fennel; juniper berries: Neither crushed nor ground
	090962	Seeds of anise, badian, caraway or fennel; juniper berries: Crushed or ground
	091011	Ginger: Neither crushed nor ground
	091012	Ginger: Crushed or ground
	091020	Saffron
	091030	Turmeric (curcuma)
091091	Other spices: Mixtures of two or more of the products of different headings	
091099	Other spices: Other	
Horticulture	070110	Potatoes, fresh or chilled: seed
	070190	Potatoes, fresh or chilled: other
	070200	Tomatoes, fresh or chilled.
	070310	Onions and shallots, fresh or chilled
	070320	Garlics, fresh or chilled
	070390	Leeks and other alliaceous vegetables, fresh or chilled
	070410	Cauliflowers and headed broccoli, fresh or chilled
	070420	Brussels sprouts, fresh or chilled
	070490	Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled.
	070511	Cabbage lettuce: fresh or chilled
	070519	Other lettuce, fresh or chilled
	070521	Witloof chicory, fresh or chilled
	070529	Other chicory, fresh or chilled
	070610	Carrots and turnips, fresh or chilled
	070690	Other carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled.
	070700	Cucumbers and gherkins, fresh or chilled.
	070810	Peas, fresh or chilled
	070820	Beans, fresh or chilled
	070890	Other leguminous vegetables, fresh or chilled
	070920	Asparagus, fresh or chilled
	070930	Aubergines (egg-plants), fresh or chilled
	070940	Celery other than celeriac, fresh or chilled
	070951	Mushrooms of the genus Agaricus, fresh or chilled
070959	Other mushrooms and truffles, fresh or chilled	
070960	Fruits of the genus Capsicum or of the genus Piment, fresh or chilled	
070970	Spinach, New Zealand spinach and orache spinach (garden spinach), fresh or chilled	
070991	Globe artichokes, fresh or chilled	
070992	Olives, fresh or chilled	
070993	Pumpkins, squash and gourds, fresh or chilled	

Sector	HS code	Product description
	070999	Other vegetables, fresh or chilled.
	071010	Frozen potatoes
	071021	Frozen peas
	071022	Frozen beans
	071029	Other leguminous vegetables, shelled or unshelled: frozen
	071030	Spinach, New Zealand spinach and orache spinach (garden spinach): Frozen
	071040	Sweet corn: frozen
	071080	Other vegetables: frozen
	071090	Mixtures of vegetables: frozen
	071410	Manioc (cassava)
	071420	Sweet potatoes
	071430	Yams (Dioscorea)
	071440	Taro (Colocasia spp.)
	071450	Yautia (Xanthosoma spp.)
	071490	Other Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh, chilled, frozen or dried, whether or not sliced or in the form of pellets; sago pith.
	080310	Plantains, fresh or dried
	080390	Other bananas, fresh or dried
	080410	Dates, fresh or dried
	080420	Figs, fresh or dried
	080430	Pineapples, fresh or dried
	080450	Guavas, mangoes and mangosteens
	080510	Oranges, fresh or dried
	080521	Mandarins, fresh or dried
	080522	Clementines, fresh or dried
	080529	Other mandarins, clementines, wilkings and similar, fresh or dried
	080540	Grapefruit, including pomelos, fresh or dried
	080550	Lemons and limes, fresh or dried
	080590	Other citrus fruit, fresh or dried
	080610	Fresh grapes
	080620	Dried grapes
	080711	Fresh watermelons
	080719	Other fresh melons
	080720	Fresh papaws (papayas)
	080810	Fresh apples
	080830	Fresh pears
	080840	Fresh quinces
	080910	Fresh apricots
	080921	Sour cherries, fresh
	080929	Other cherries, fresh
	080930	Fresh peaches, including nectarines
	080940	Fresh plums and sloes
	081010	Fresh strawberries
	081020	Fresh raspberries, blackberries, mulberries and loganberries
	081030	Fresh black, white or red currants and gooseberries
	081040	Fresh cranberries, bilberries and other fruits of the genus Vaccinium
	081050	Fresh kiwifruit
	081060	Fresh durians
	081070	Fresh persimmons
	081090	Other fresh fruit
	081110	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter: Strawberries
	081120	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter: Raspberries, blackberries, mulberries, loganberries, black, white or red currants and gooseberries
	081190	Fruit and nuts, uncooked or cooked by steaming or boiling in water, frozen, whether or not containing added sugar or other sweetening matter: Other
	081210	Preserved cherries (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption.
	081290	Fruit and nuts, provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption: Others

Appendix VIII List of public agencies and private sector business associations interviewed

1. Agricultural Council of Tanzania
2. Aquaculture Association of Tanzania
3. Association of Mango Growers
4. Business Registration and Licensing Agency
5. Cashew nut Board of Tanzania
6. Ministry of Agriculture
7. Ministry of finance and planning
8. Ministry of Industry and Trade
9. Ministry of Livestock and Fisheries - Division of Fisheries
10. Ministry of Livestock and Fisheries - Division of Livestock
11. Ministry of Trade and Industry - Zanzibar
12. Occupation Safety and Health Authority
13. Poultry Association of Tanzania
14. Rice Council of Tanzania
15. Tanganyika Farmers Association
16. Tanzania Atomic Energy Commission
17. Tanzania Broilers Farmers Association
18. Tanzania Bureau of Standards
19. Tanzania Cassava Producers and Processors Association
20. Tanzania Chamber of Commerce Industry and Agriculture (Dar es Salaam)
21. Tanzania Chamber of Commerce Industry and Agriculture (Iringa)
22. Tanzania Chamber of Commerce Industry and Agriculture (Kigoma)
23. Tanzania Chamber of Commerce, Industry and Agriculture (Arusha)
24. Tanzania Chamber of Commerce, Industry and Agriculture (Kilimanjaro Region)
25. Tanzania Chamber of Commerce, Industry and Agriculture (Morogoro)
26. Tanzania Chamber of Commerce, Industry and Agriculture (Mwanza)
27. Tanzania Chamber of Commerce, Industry and Agriculture (Njombe)
28. Tanzania Cotton Board
29. Tanzania Dairy Board
30. Tanzania Exporters Association
31. Tanzania Honey Council
32. Tanzania Horticulture Association
33. Tanzania Layer Farmer Association
34. Tanzania Medicine and Medical Devices Authority
35. Tanzania National Chamber of Commerce, Industry & Agriculture (Ruvuma Region)
36. Tanzania Official Seed Certification Institute
37. Tanzania Port Authority
38. Tanzania pulses network
39. Tanzania Pyrethrum Board
40. Tanzania Revenue Authority
41. Tanzania Sisal Board
42. Tanzania Trade Development Authority
43. Tea Association of Tanzania
44. Tea board of Tanzania
45. The Government Chemist Laboratory
46. Tobacco Board
47. Voices of Women Entrepreneurs Tanzania
48. Weight and Measurement Agency
49. Zanzibar Bureau of Standards
50. Zanzibar Exporters Association
51. Zanzibar Food and Drugs Authority
52. Zanzibar National Chamber of Commerce, Industry & Agriculture
53. Zanzibar Port Authority
54. Zanzibar Revenue Board
55. Zanzibar State Trading Corporation

Appendix IX Agenda of the stakeholder consultation

Day 1: 10 March 2021 – Dar es Salaam, United Republic of Tanzania

- 08:30 Registration**
- 09:00 Opening remarks**
- Mr Ashish Shah, Director (Division of Country Programmes) International Trade Centre
 - Mr. Andrea Massarelli, European Union Delegation to the United Republic of Tanzania
 - Prof. Riziki Shemdoe, Permanent Secretary, Ministry of Industry and Trade
- Session 1 Background and overview of results**
- 09:30 Setting the stage: EAC MARKUP project in Tanzania**
- Mr Vidah Malle, MARKUP National Focal Point, Ministry of Finance
- 09:45 NTM Business Survey in Tanzania:**
ITC will outline survey implementation in Tanzania and highlight the key findings.
- Mr Samidh Shrestha, Analyst, Trade and Market Intelligence, ITC
- 10:45 Questions & answers**
- Session 2 Panel discussion**
- 11:15 Regulatory reform and public sector perspectives**
- Mr. Freddy Kavula, Trade Officer, MIT on “Regulatory reforms in Tanzania”
 - Mr. Oliver Amani, Trade Officer, MIT on “Public sector perspectives on NTMs”
 - Ms. Zawadi Nyange, Trade Facilitation, Ministry of Trade and Industrial Development - Zanzibar
 - Mr. James Mnunda, Deputy Commissioner, Tanzania Revenue Authority
 - Mr. Ahmed Saadat, Zanzibar Revenue Board
- 12:15 Lunch**
- Session 2 Thematic round tables – forward looking solutions**
Participants will be invited to share their views and experiences on NTM-related barriers and policy options to address them in the selected themes. Each focus group will establish a roadmap with priority actions to overcome the identified obstacles
- 13:30 Round table 1: Enhancing export competitiveness of the agricultural sector by improving compliances with technical requirements, quality standards and conformity assessment.**
- Moderator: Mr. Leandri Kinabo**, Former Director of Standards at Tanzania Bureau of Standards (TBS), also served as a Chairperson at the International Organization for Standardization (ISO) on the Developing Countries Coordination Group (DCCG)
- Mr Edward Rukaka, Chairman, Tanzania Spices Association (TASPA) (Confirmed)
 - Mr. Fidelis Paulo, Senior Industry Analyst, Tanzania Horticulture Association (TBC)
 - Mr. Noel Yatera, Chairperson, Tanzania Coffee Association (TBC)
 - Mr. Lazaro Msasalaga, Director of Quality Management, Tanzania Bureau of Standards (TBC) (TBS DG confirmed to provide representative)
 - Mr. Amir Hamza, Chairman, African Fine Coffees Association (AFCA)
- 15:00 Coffee break**

- 15:15** **Round table 2: Market Access beings at home: Simplifying domestic regulations and streamlining procedures to enhance Tanzania’s trade competitiveness**
- Moderator: Godfrey Sembeye**, Immediate former Executive Director, Tanzania Private Sector Foundation
- Mr. Peter Lanya, Tanzania Exporters Association
 - Mr. Khamis Issa Mohammed, Secretary, Zanzibar Exporters Association
 - Ms. Mwajuma Hamza, Chairperson, Tanzania Women Chamber of Commerce
 - Ms. Faith Gugu, Policy Analyst responsible for Regional Trade, Tanzania Private Sector Foundation on “Public policies that have brought about a positive change in the trading community”
 - Mr. Hamad Hamad, Executive Director, Zanzibar Chamber of Commerce “Giving a voice to MSMEs: How can trade support institutions bring forward the view of small business in policy discussions?”
 - Mr. Baraka Aligaesha, Prime Minsters Office, Coordinator (Blueprint implementation) (TBC)
- 16:45** **Wrap up and concluding remarks**
- Mr. Mondher Mimouni, Chief – Trade and Market Intelligence section, ITC
 - Mr. Elias Peter Bagumhe, Principal Economist, Ministry of Foreign Affairs and East African Cooperation
- 17:00** **END**

[Day 2: 11 March 2021 – Dar es Salaam, United Republic of Tanzania](#)

- 08:30** Registration
- Session 1: Using Market Analysis Tools for Market Access**
- 09:00** Non-Tariff Measures and Market Access
- 10:45** Non-Tariff Measures and Market Access (continued)
- 12:00** Lunch
- Session 2: Packaging and Branding for Exports**
- 13:00** Packaging for Exports
- 13:45** Principles of Marketing and Branding
- 14:30** Coffee Break
- Session 3: Export Quality Management**
- 14:45** Understanding international quality requirements
- 17:00** Launch of Tanzania Quality Association
- 18:00** **END**

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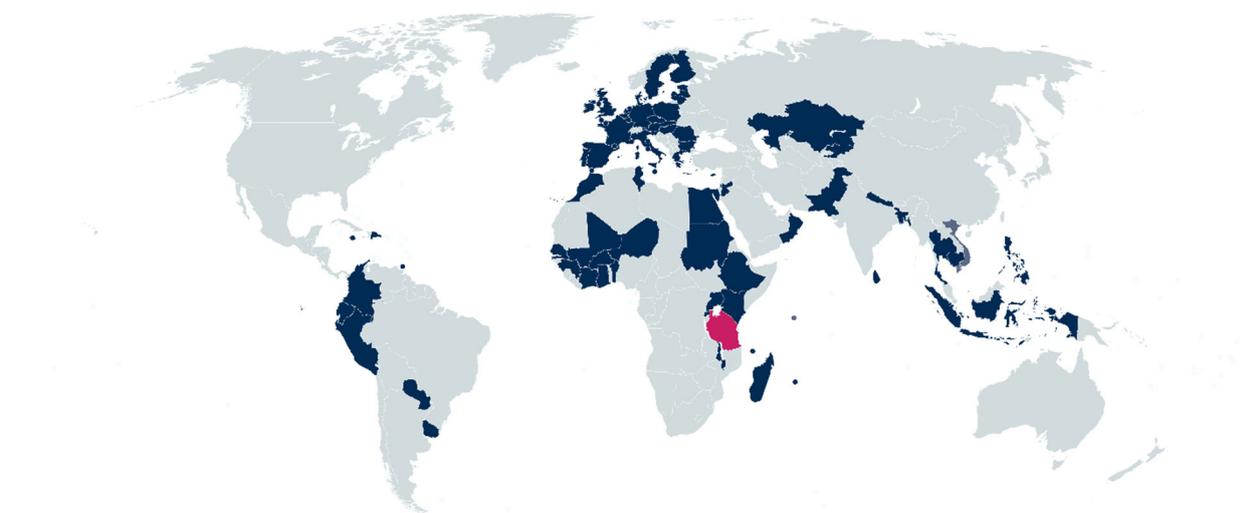
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