

### **Market Access requirements for the EU market.**

To enter the EU market, businesses must ensure their products meet safety, health, and environmental standards. They are also required to comply with relevant regulations and trade laws and potentially undergo conformity assessment procedures including obtaining CE marking where applicable. There are two types of requirements, mandatory and additional. Mandatory requirements may include legal and non-legal. Additional requirements are those that buyers may have such as quality, safety and certification.

Products imported in the EU market must meet requirements to protect human and animal health, the environment and consumers rights. Sometimes when traded, a product can be subject to different control measures, management of licenses for imports or other specific trade regime.

For an exporter to the EU, the following document would be required to be certified.

- Movement Certificate – EUR.1
- An invoice declaration given by the exporter on an invoice
- A delivery note or any other commercial document which describes the products concerned in sufficient details using the harmonized commodity description coding system (HS).
- Invoice declaration that can be made by an approved exporter
- For consignments whose total value does not exceed EUR 6,000, any exporter can issue invoice declaration.
- The EU certificate of origin is issued per consignment.

Whilst the requirements for 85% of the products are harmonized in the EU, there are also product specific rules that only apply at national level. One can find the specific EU harmonized rules and requirements for the product you want to export to the EU via “My Trade Assistant. This is a search engine developed to support trade of goods when trading involves an EU country and non-EU countries You can access it within the EU’s Access2Markets homepage and navigate the “My Trade Assistant” section.

For information about the products rules and regulations for goods that only apply at national level, each EU country has established a “product contact It is important to note that one is only required to comply with the rules applicable in the country where you intend to place product in the market.

Under the Access2Markets window, you will find the EU product overview that covers:

- Trade regime and general products safety.
- Health and consumer protection for animal and plant product.
- Goods produced with conservation rules.
- Chemical products.
- Pharmaceutical and cosmetic products.
- Machinery and technical products.
- Labelling and packaging.
- Other certifications.

## **8. Access2Markets Portal**



The Access2Markets is a web portal from the European Commission that helps companies find information about import conditions for the EU market and export conditions for over 130 non-EU countries, as well as intra-EU trade. It allows one to obtain information one needs to know about tariffs, taxes, product rules and requirements for all EU countries and third countries. You will find information on tariffs, applicable taxes, procedure formalities and requirements, rules of origin, export measures, statistics, trade barriers and other market information. You may also find information about the trade agreement and how to benefit from them. There are links for successful companies which have used Access2markets tool. The Portal is mainly to help businesses to import and export and it is considered as the “EU Gateway to trade information”. The portal is user friendly and one can access the tool by searching on google: <https://trade.ec.europa.ec.europa.eu/access-to-markets>

If for example, you insert Kenya as country, or any other country where the product is coming from and on the window, you search the country which you want to export to. then you click search, you will find the results for the product. For example, if you insert HS 0804.40.00(Avocado) from Kenya to be exported to Italy, the results in the window will indicate information on:

- Applicable tariff
- Rules of origin self-assessment tool (ROSA)
- Origin documentation and verification
- Import requirements
- Trade flow statistics

For Kenya, for example, the results for HS 0804.40.00 will indicate a tariff preference of 0%. It will also indicate the EU law reference supporting the preference. For a country which is not a party to the Kenya-EU EPA, the results in the window will also indicate the tariff and the EU law governing the tariff e.g. unit price, e.g.344.55 EURO/100 Kg, and the EU law governing the tariff. It will also indicate the tariff under the Generalized System of Preference (GSP), also referred to as General Arrangement in case the product is exported to EU under the GSP and confirm if the HS of the product is also traded with other countries under the GSP preference.

When you click the link, you will see a window “Trade Assistant” (Goods+ROSA) for the rules of origin and self-assessment tool which provides a link on how to use the form to export to EU with a disclaimer. One is required to insert a product name or the Harmonized Commodity Description Code referred as HS in Customs language and if you insert Kenya as country or any other country the product is coming from and on the same window, you will find the country to which you want to export to. When you click search, you will find the results for the product.

**There are 5 documented steps towards exporting a product to the EU. These are:**

**Step I:** Find a market and a buyer.

- Use commerce chambers to get information about different markets and business partners.

- Use trade specific news providers or trade promotion agencies in your country or in your selected export market that cover market analysis and assessments of business opportunity.

**Step 2:** Check export conditions in the EU and import requirements in your target market.

- You can export directly to a buyer in your export market. This can be another company or consumer.
- Alternatively, especially for very small companies, often they can export indirectly and use e-commerce platforms.

**Step 3:** Prepare the sales and organize transport.

- Responsibility of the parties to an export/import transaction is laid down in the contractual agreement.
- Unless there are special reasons, the responsibility for transport, usability of marketing your product should be assumed by the buyer as the importer.

**Step 4:** Prepare the documents for exports clearance in the EU.

- The documents prepared for export partly also serve for import in the country of destination.
- Their preparation should take into account corresponding requirements and as the case may be, should be aligned with your buyer as importer.
- You must submit an electronic export declaration at your national customs authority.
- Each EU country has its own processing system.
- Export declaration provides the necessary information about goods themselves and transport. The information includes origin of goods; destination country; commodity HS codes; customs procedure codes and value of goods.

**Step 5:** Prepare the document for import customs clearance in the country of destination.

- When your goods reach the country of destination, the local import requirement and processes will apply to your exports.
- Use my Trade assistant in the portal to establish those requirements and to be in the position to align on them with your buyer
- Sometimes pre-arrival processing is possible meaning you can submit the relevant document prior to the goods arrival in the country you are exporting to.
- You have to agree with the buyer which documents need to be prepared by the exporter and which by the buyer who as the importer usually is in charge of customs clearance and customs duties, and other levies.
- The roles and responsibility of export and import are defined by the contractual agreement.

One will need to read more on the above steps before exporting/importing products under the EU trade regime. The above steps are provided in detail in the Access2 markets portal.

## 9. Opportunities for local industries in the EU Market.

The EU is Kenya's biggest export destination. It absorbed 13.6% of Kenya's total exports in 2023. Kenya exported goods to the EU valued at USD 1.4 billion (€1.2 billion) while the imports from the EU totaled USD 1.8 billion (€1.7 billion) in the same year.



During the recently concluded KAM and Business Associations regional EPA awareness forum, it was noted that the total trade between EU and Kenya reached € 3 billion in 2023. an increase of 16 percent compared to €2.52 billion recorded in 2018.

Kenya's exports to the EU comprises largely of agricultural commodities including live plants and cut flowers, coffee, tea and spices, edible fruits and nuts, edible vegetables, fish and crustaceans, oil seeds, animal and vegetable fats, toys, games and sports accessories, leather, handcraft, gum, resins and tannins and dye extracts, articles of wood, essential oils, apparels and clothing accessories among others.

Kenya's imports from EU are mainly capital equipment and inputs into productive sectors. These include machinery and mechanical appliances, pharmaceuticals, cereals, chemicals for pest control, electrical and electronic equipment, paper and paper board, fertilizers, motor vehicles, dairy and animal products, printed books, articles for printing industry, beverages, spirits among others

The following are some of the opportunities for local industries expected to benefit when the Kenya-EU-EPA is implemented.

- i. Expanded Market Reach: Access to large and affluent consumer base in the EU, offering growth potential to Kenyan exporters.
- ii. Increased Competitiveness: Duty free access and removal of quotas will enhance the competitiveness of Kenyan products in the EU market.
- iii. Investment and Partnership Opportunities: EU investments in Kenya can create joint ventures and partnerships, opening new business avenues.
- iv. Innovation and Quality Improvement: Exposure to EU standards and practices will drive innovation and improvements in Kenyan products and processes. In addition, programs under the EPA will provide Kenya businesses with the support needed to meet EU regulations and enhance export capabilities
- v. The value chains related to horticulture (cut flowers), tea, coffee, edible fruits, nuts and spices will substantially grow under duty free, quota free market access. Other value chains indirectly related to other sectors such as automotive, parts and accessories, chemicals and green house building materials are expected to find new business opportunities.
- vi. For the manufacturing sector, textiles and apparel sectors are expected to be the first beneficiaries due to increased export opportunities.

## Conclusion

It is expected that this policy brief will go a long way in helping the local industries in understanding the important perspectives of the Kenya-EU-EPA and the market access requirements, and to understand how to navigate and explore the EU market. The main objective of the brief is to beef up additional information and guidelines to attract more companies to export to the EU market.



Kenya will require to diversify the products range to individual EU member States. It is possible for Kenya to increase her market share in the EU market to about 25% from the current 13.6% by 2030, if she puts in place a deliberate long term competitiveness enhancement program to prepare her to compete with over 70 countries across the world which have free trade agreements with the EU.

Kenya has no option but to become globally competitive. The recently proposed National Implementation Strategy initiated by the State Department of Trade and supported by the EU with focus areas on sanitary and phyto-sanitary measures (SPS) measures, technical barriers to trade (TBT) measures, customs and trade facilitation measures, e-commerce, and sustainable trade development will go a long way in addressing Kenya's international competitiveness at the global level.