



## **STATEMENT BY HON. PETER MUNYA, CABINET SECRETARY MINISTRY OF INDUSTRY, TRADE AND COOPERATIVES ON QUALITY AND SAFETY OF SUGAR AND OTHER IMPORTED PRODUCTS**

### **INTRODUCTION**

- 1.0** Good morning friends from the Media and thank you for joining us for this press briefing. This statement is meant to apprise the country on the measures the Multi-Agency RRI team has undertaken and will undertake in the short to medium term to address the problem of entry and trade in illicit goods in the country.

### **MULTI-AGENCY COMMITTEE (MAC)**

- 2.0** As you are already aware, a Multi-Agency Committee (MAC) was established following the 8<sup>th</sup> Presidential Round Table in May 2018 to undertake a Rapid Response Initiative aimed at addressing the problem of trade in illicit products in the country, including sugar.
- 3.0** Illicit Products entering the Country are a serious challenge to the various facets of our economy: These include erosion of tax revenues, threats to local industries that the country and the private sector has over the years invested heavily to nurture and sustain, real threat to the health and safety of the public. In particular, contraband and counterfeit products entering through our borders directly undermine manufacturing which is one of the central pillars of the Government's Big Four Agenda.
- 4.0** The Multi-Agency Committee has done tremendous work and made great progress in addressing this problem and I want to thank the Team for undertaking this work with a deep sense of urgency and commitment.

- 5.0 Since inception the team has seized goods totaling to nearly 7.5 billion shillings. These goods are in various categories that include: Beauty and cosmetics, alcohol, building and construction materials, electricals, households, foodstuffs and water, leather, motor vehicle spares, LPG gas, sugar, cigarettes and textiles among others.
- 6.0 Upon conclusion of investigations and processing, the seized goods will be dealt with as per government protocols covering release and or destruction for those that fail to meet standards and are harmful to consumers and the environment.

## **RESULTS FROM SAMPLES OF SUGAR CONSIGNMENTS SEIZED BY THE MULTI-AGENCY COMMITTEE**

- 7.0 As part of the Rapid Results Initiative of the Multi-Agency Committee, the Committee seized a total of **1,319,668 50-KG bags of sugar** from various locations across the country that was suspected to be falling below the applicable National Standards
- 8.0 The Kenya Bureau of Standards (KEBS) that is also a member of the MAC and the National entity responsible for enforcement of standards has taken and tested **66 Samples representing 1,266,351 50-KG bags of Sugar** which is equivalent to **96% of the 1,319,668 50-KG bags** seized by the MAC;
- 9.0 Out of this sample of 1,266,351 50-KG bags, **837,244 50-KG bags equivalent to 66%** of the sample failed the KEBS tests. Only **157,392 bags of the sampled 1,266,351** bags equivalent to **34%** of the sample passed the KEBS tests;

## **DECISION ON SUGAR THAT HAS FAILED KEBS STANDARDS**

- 10.0 In view of the outcomes of these KEBS test results for the sugar seized by MAC, KEBS will undertake the following measures immediately:

- a) Cause in motion the process for immediate testing of the remainder **4% of the seized 1,319,668 bags (53,317 bags)** that were not sampled to confirm compliance with the standards in view of the high failure rate of the sampled bags at 66% and take appropriate action immediately;
- b) In consultation and co-ordination with other relevant Government agencies, cause in **motion the process of immediate destruction of all the sugar consignments that have not met the standards as shown above in strict compliance with the applicable law;** and
- c) Cause in motion the process of immediate release of the bags that have been tested and certified to be compliant with the standards to their owners and appropriate records kept

## **SUGAR MARKET SURVEILLANCE AND TEST RESULTS**

- 11.0** In addition to the testing of the seized sugar, KEBS has drawn a total of **261** samples from **45** counties to ascertain its quality and safety. From these samples, KEBS has tested **82** samples representing **28** counties
- 12.0** The test results from the market surveillance samples show that **31 samples out of 82 samples tested (approximately 38%) failed** the KEBS test while 51 samples out of the 82 samples **(approximately 62%)** passed the test.

## **DECISION ON MARKET SURVEILLANCE TEST RESULTS**

- 13.0** In view of the results from the market surveillance samples, KEBS will undertake the following measures immediately:
  - a) Expediting the testing of the other 147 samples taken but not tested and inform the public on the outcome tests accordingly and maintain market surveillance activity; and

- b) Proactively and expeditiously deal with all sugar in the market that does not conform with KEBS standards strictly in the manner prescribed by the law.

## **TEST RESULTS FOR INDUSTRIAL SUGAR**

**14.0** The MAC has also seized a total of 7,750 tons of industrial sugar (White Refined Sugar). The KEBS has already released to owners 3,550 tons of this consignment upon confirmation of compliance with the standards. The remainder 4200 tons are awaiting the test results.

## **DECISION ON INDUSTRIAL SUGAR**

**15.0** In view of the above KEBS results on industrial sugar seized by MAC, KEBS will undertake the following measures as a matter of urgency:

- a) Fast track the testing of the 4,200 tons to confirm compliance with the standard
- b) Cause in motion of process of immediate release of Industrial Sugar that pass the tests to the owners and appropriate records kept.

## **TEST RESULTS ON EDIBLE OILS**

**16.0** KEBS is holding at the port 40 consignments of edible oils that were suspected to have entered the country without meeting the applicable standards; and

**17.0** KEBS has undertaken tests on the consignments held and the results show that 25 consignments failed the KEBS quality tests with respect to Vitamin A.

**18.0** We have carried out market surveillance and testing of locally produced edible oils and found them compliant.

## **DECISION ON TEST RESULTS FOR EDIBLE OILS HELD BY KEBS**

**19.0** In view of the above KEBS results with respect to the held edible oils consignments, KEBS will, in collaboration with other relevant Government agencies, cause in **motion the process of immediate destruction of all consignments of edible oils that have failed the KEBS quality tests in strict compliance with the law at owners cost or be reshipped back to country of origin.**

## **THE MATTER OF IMPORT STANDARDIZATION MARK (ISM)**

**20.0** In accordance to section 10 of the Standards Act Cap 496 Laws of Kenya, KEBS carries out inspection of imported goods at the country of origin and issues a Certificate of Conformity for goods that comply with Kenya Standards.

**21.0** The inspected goods are issued with a specified distinct mark known as Import Standardization Mark (ISM), to be applied on the imported products that comply with the requirements of the relevant Kenya Standard or approved specification.

**22.0** As a result of the ongoing investigations on the secured ISM and suspension of its printing, KEBS Management and National Standards Council, in consultation with stakeholders including KAM, KEPSC and KNCCI. We have instituted the following interim measures to mitigate presence of substandard goods in the market and support the fight against illicit trade:

- a) 100% joint verification of goods on certain high risk consignments, especially consolidated goods consignments that have been the main avenue for substandard goods;

- b) Enhanced market surveillance to remove any substandard goods that manage to enter the market; and
- c) Subjecting products categorized as high risk to mandatory testing before release.

**23.0** In addition to the above, KEBS has, in consultation with stakeholders issued a provisional ISM bearing UCR (Unique Consignment Reference number) as an interim measure to build confidence to consumers on imported products that have impact on health, safety and environment as well facilitate trade by enabling placement of the goods in the market.

**24.0** KEBS will issue the provisional ISM on receipt of an application form (available on KEBS Website) accompanied by copies of the Certificate of Conformity (CoC). Upon receipt, KEBS will issue the new ISM logo with the Unique Consignment Reference (UCR) Number for the consignment.

**25.0** We wish to inform importers that:

- a) The interim ISM will be issued free of charge;
- b) Importers should stop paying for ISM stickers until further notice;
- c) The new logo will be issued in PDF format and forwarded to the applicants through email;
- d) Importers will print for themselves the issued ISM logo and stick to the products imported with the particular CoC/UCR number; and
- e) The interim ISM will be applicable until further notice.

Consumers can verify the interim ISM as follows:

**SMS FORMAT:**

ISM# UCR# send to 20023

Response:

Importer Name: XXXX XXX LIMITED

COC No: C-2018/xx/XXXXXXX

Status: Valid or Invalid

Call KEBS Toll Free No.:1545

ANNEX - PROVISIONAL ISM LOGO





## **CONCLUDING REMARKS**

**26.0** As I conclude, I wish to state as follows:

- a) Trade in counterfeit, contraband and other illegal merchandize is a real threat to our economy in addition to affecting our health, safety and the environment. Consequently, firm and sustained measures will be taken on anyone involved in illicit trade and genuine business people are forewarned to keep off these activities because the consequences for anyone caught will be extremely costly;
- b) In order to have a steady consistent attention on this matter, the Multi-Agency Committee will intensify their activities until the vice is completely vanquished. This is a battle the Government from the very top is committed to win; and
- c) There is need to develop linkages and collaboration between the different government agencies and industry especially in information sharing with an aim of eliminating substandard, contraband, counterfeits and all illicit trade.