The impact of delayed Turnaround Time by UNBS To Provide Testing Results to The Traders and/or Millers Exporting grain South Sudan.

Presented to

The Hon. Minister of Trade, Industry and Cooperatives

By

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1.0 Background:

In June 2023 the SSNBS lab carried out rapid tests on all trucks carrying maize and sorghum flour to determine the level of aflatoxin on over 500 trucks. 77 trucks out of the 500 trucks failed the rapid aflatoxin test which was above the acceptable level according to EAC standards while the rest that passed were allowed to enter South Sudan.

The case of these 77 trucks was referred to a high-level committee formed by the government of South Sudan and composed of members of parliament, security, and high-level executives including members from the president, the private sector, and the South Sudan National Bureau of Standards. The committee decided to send the samples to a certified lab to confirm the level of aflatoxin B1, G2 & and G2 in accordance with EAC standards, when the results were returned that confirmed the results of SSNBS, the level of aflatoxin B1 & B2 were very high.

The agreed aflatoxin B1 levels in foods in EAC is a maximum of five parts per billion (ppb). However, the grain millers are saying that the queue at UNBS's Gulu office owes to the fact that SSNBS now requires commodities exported in their market to have a certificate of conformity and a certificate of analysis from a reputable laboratory in Uganda

2.0 Situation analysis:

Uganda traders were allowed to resume exporting to South Sudan, however, the Uganda Bureau of Standards (UNBS) will have to certify all the consignments of grain that cross into South Sudan and that they must have passed quality tests.[1]

With such tight food safety standards requirements by South Sudan, transporters of foodstuff to Juba have to grapple with long waiting lines at the standards centers in Uganda that is in Matugga and the Gulu testing centers despite the long waiting time in of about two (2) days before collection of the samples, after collection of the samples from the truck, it takes four (4) days for results to return which is a full week.[2]

[1] https://www.eyeradio.org/south-sudan-resumes-importation-of-uganda-maize/
[2] https://www.monitor.co.ug/uganda/news/national/uganda-set-to-destroy-1-700-tonnes-of-maize-4408556

3.0 Impact on Traders:

UNBS and URA put a seal on a truck that checked and passed the aflatoxin tests and therefore issued a Certificate of Conformity. However, as the truck proceeds to South Sudan across the border, the South Sudan authorities do not recognise any documentation issued by Ugandan authorities hence contravening the EAC CMA on single Customs Union which talks about mutual recognition of member state documents issued by another member state. Preliminary results from over 1,700 tonnes of maize valued at $2M (Shs 7.5b) indicate that they failed the aflatoxin level tests[3]. Additionally, the miller is made to pay an additional fee of UGX 1,300 at the border per Kg and the draw over 3kgs per truck which equals to UGX 3,900 per truck for a sample yet they already paid UGX 270,000 to UNBS as testing fees for aflatoxins. After testing, the results are not shared and no certificate is issued which raises questions about the authenticity of these results. It is also impractical for the S.Sudan authorities to argue that a consignment with different expiry dates doesn't qualify to proceed to Juba. Secondly, a truck before, used to buy new tires every 8 months but with the current situation, the truck will need to change tires after 2 years. This results in a reduction of revenue for the tyre sellers, people involved in the spare parts business, and the garage in case of a mechanical breakdown. All these are some of the businesses which are being affected indirectly by this standoff.

4.0 Impact on the truck owners:

According to the sector players in the transportation industry, before, a truck would make three (3) routes per month to Juba and it would take close to 4 days en route but nowadays, it can only take 1 route due to a challenge in the turnaround time since the truck is parked for long hours waiting for samples to be taken and cleared to proceed to the border and then to Juba via the Nimule Border. This has left the truck owners out of business since their trucks cannot do the trips they used to do. This has had a spillover effect on the traders since the transporters have abandoned transporting grain cargo to other cargo since this takes time and costs them business. Additionally, most of these vehicles are acquired on loan with

[3] https://www.monitor.co.ug/uganda/news/national/uganda-set-to-destroy-1-700-tonnes-of-maize-4408556

a monthly repayment plan since the truck owners could afford to pay back the loan with the 3 trips being made, however, now with the long turnaround time for the samples to be taken and that the truck can only take 1 trip, these owners are at risk of losing their property to banks since they can't afford to pay back these loans

5.0 Impact on the farmers:

Before the standoff at the border in May 2023 because of the alleged presence of aflatoxins in maize flour from Uganda to South Sudan, the price of maize grain per Kg was at UGX 1,800, three (3) weeks later this price dropped rapidly to 900shs. This has hurt the farmers who were thinking they could store their maize grain and sell at around 2,000 shs. They are at risk of making huge losses since they will be forced to sell their maize grain at a range of between 700shs to 800shs.

6.0 Impact on the Government revenue:

According to the Grain Council of Uganda, Uganda loses an estimated US$38 million annually in missed export opportunities due to aflatoxin contamination[4]

A truck consumes 500 litres per trip to Juba South Sudan, which means it pays revenue of UGX 600,000 per trip. This equates to UGX 1.8M per month for the 3 trips, this is not the case nowadays since it takes only one trip equating to UGX 600,000 resulting in a loss of UGX 1.2M to the government in the form of revenue on fuel excise duty per month per truck.

Each truck currently pays UGX 270,000 as testing fees for aflatoxins to UNBS which is then remitted to the consolidated fund. The situation now is only 5 trucks are crossing the border on a daily as compared to 50 trucks before the impasse, this is a loss to the government since they are not able to collect the revenue of UGX 13.5M per day but are now collecting only UGX 1.35M, hence making a loss of 12.15M shillings.

[4] https://www.parliament.go.ug/news/6946/trade-ministry-sets-measures-combat-aflatoxin-contamination

7.0 Proposals to Government:

i. **Increase in funding to UNBS;** Currently, the bureau has 37 surveillance officers managing enforcement in the entire country, these are so minimal given the need to enforce and manage good practices to avoid aflatoxins. UNBS has made a call for more staff to improve market surveillance and import inspection. With annual staff recruitment of 100 for the next two years, UNBS should be in a position to reduce the turnaround time for testing and certification services by 50 percent[5]. This shows that UNBS is currently underfunded and therefore doesn't have the capacity to manage and enforce testing and prevention of aflatoxins.

ii. **Accreditation of private testing centers**; Owing to the inadequacy of UNBS's capacity to test all the grain and certify it. Therefore, it is imperative to accredit Private laboratories to act as testing centres so as to relieve the burden on UNBS. In Uganda, we have two publicly known laboratories whose testing results are recognised only at the certification level namely Chemifar and the Makerere University Food Science laboratory. Other departments of UNBS such as market surveillance and testing do not recognise these results since Uganda's Accreditation Regulatory framework is lacking. The absence of a law on accreditation makes the establishment and operation of an Accreditation Body difficult[6]. Despite having the National Accreditation Policy (2014), this has not been operationalised and therefore need to expedite the process of setting up and accreditation body

iii. **Mutual Recognition Agreement (MRA):** The Government of Uganda should encourage the government of South Sudan to recognize the testing results issued by Uganda authorities that is UNBS and URA under the Mutual Recognition Agreement of the EAC. This will save a lot of time for the cross-border traders dealing in maize flour and will increase their margins

[5] https://www.parliament.go.ug/news/6946/trade-ministry-sets-measures-combat-aflatoxin-contamination
[6] http://www.mtic.go.ug/wp-content/uploads/2019/08/Accrediitation-Policy.pdf

iv. **Online sharing of the testing results by UNBS**: Instead of waiting for results at the sampling centers, UNBS can share the test results online with the trader or the driver by email or the border authorities. This will enable the smooth movement of goods across the border since by the time the driver arrives at the border, the results will have been received by the border authorities and the driver thus the driver will just drive through and proceed to their destination. This will tremendously save time and resources without any additional cost being incurred by any of the parties.

v. **Grass root sensitisation right from the farm:** It has been noted that aflatoxin contamination does not begin from post-harvesting but rather in soils and it has been suggested that the breeding of resistant crippled breeds to control the growth of molds. That is in the field, the application of good agricultural practices like the selection of fungal-resistant seeds, irrigation, proper use of fungicides, and selection of the right planting and harvest times all play significant roles in mould control. Therefore, more effort is needed to promote cooperatives that can bring farmers together and teach them about the certification of their produce and facilities[7]. Up to now most farmers who contribute 68% of the total population do not have silos and therefore store and dry grains in poor ways hence getting contaminated with aflatoxins.

   Therefore, PSFU suggests that, let government through the Ministry of Agriculture and the Ministry of Trade, Industry, and Cooperatives set up collection centres as cooperatives which will have labs and specialised personnel to carry out tests of the grains hence curing the problem of aflatoxins at source rather at the end of the value chain.

vi. **Encourage self-regulation**: We may ignore the issue of aflatoxins, but what is the fate of the locally milled maize flour that ends up in our homes and our boarding schools, this is being consumed widely and no one can test this maize before it reaches our plates and that of our children. Therefore, the government in collaboration with the private sector should encourage and sensitize the stakeholders in the value chain that is from the

[7] https://www.parliament.go.ug/news/6946/trade-ministry-sets-measures-combat-aflatoxin-contamination

farmers to practice good farming and post-harvest methods and the millers to ensure that the maize grain going onto the market is a good standard fit for human consumption.

In conclusion, the issue of aflatoxins should be handled with a concerted effort from everyone in the society since this will not only have an impact on the health of individuals in the country but also on the export markets around us such as DRC, Burundi, Kenya, Tanzania, and Rwanda since they will deny entry of any agricultural produce from Uganda citing the issue presence of aflatoxins.