

# PRE-EXPORT VERIFICATION OF CONFORMITY (PVoC) ENFORCEMENT AND IMPLEMENTATION PLAN - ETHIOPIA

March 2021





---

## **Foreign, Commonwealth and Development Office (FCDO) Africa Clean Energy Technical Assistance Facility**

© March 2021

### **Tetra Tech International Development**

This report was authored by the Africa Clean Energy Technical Assistance Facility.

Prosperity House, Westlands Road,  
P.O. Box 4320, 00100, Nairobi, Kenya.  
Tel: +254 (0)20 271 0485

Cover page: Solar powered drip and conservation agriculture in Dhanghista, Ethiopia  
Photo credit: IWMI/Flickr- Petra Schmitter

---

#### **Disclaimer**

This report is provided on the basis that it is for the use of the Foreign, Commonwealth and Development Office (FCDO) only. Tetra Tech International Development Ltd will not be bound to discuss, explain or reply to queries raised by any agency other than the intended recipients of this report. Tetra Tech International Development Ltd disclaims all liability to any third party who may place reliance on this report and therefore does not assume responsibility for any loss or damage suffered by any such third party in reliance thereon.



# CONTENTS

<b>Acronyms</b>	<b>iv</b>
<b>1. Introduction</b>	<b>1</b>
<b>2. Enforcement measures</b>	<b>2</b>
Leadership Roles and Responsibilities	2
Infrastructure	2
Contract Management	2
<b>3. PVoC Programme Implementation</b>	<b>4</b>
<b>4. Conclusion</b>	<b>6</b>
<b>Annex I: Job Description PVoC Project Manager</b>	<b>7</b>





## ABBREVIATIONS

<b>Acronym</b>	<b>Definition</b>
CoC	Certificate of Conformity
ECAE	Ethiopian Conformity Assessment Enterprise
ESA	Ethiopian Standards Agency
IEC	International Electromechanical Commission
ISM	Import Standardization Mark
ISO	International Organization for Standardization
MoTI	Ministry of Trade and Industry
MoWIE	Ministry of Water, Irrigation and Energy
PVoC	Pre-export Verification of Conformity
SAS	Stand- Alone Solar

# 1. INTRODUCTION

This report offers recommendations on measures to be put in place by the Ministry of Trade and Industry (MoTI), to ensure that PVoC Conformity Agencies comply with the Pre-export Verification of Conformity (PVoC) programme for standalone solar (SAS) products. This document provides recommendations on processes that will guarantee that conformity agencies act in accordance with the requirements of the PVoC programme.

This document also includes a proposed timeline for contract management, monitoring, annual audits, and quarterly meetings. Operating on an agreed-upon timeline will help MoTI to review the progress and targets of the PVoC programme. Enforcement of the PVoC process involves contract management, providing regular training to key MoTI personnel and stakeholders, organizing awareness workshops for all relevant stakeholders and offering follow-up support as required.

## Objective

- ◆ Develop a compliance process to ensure only SAS products that meet the Ethiopian mandatory standards are imported;
- ◆ Ensure effective implementation of the PVoC manual for SAS products;
- ◆ Put in place measures that address challenges and constraints with regards to the issuance of CoC; and
- ◆ Ensure the enforcement of the PVoC procedures and requirements outlined in the manual in the most sustainable and efficient manner.

## Roles and Responsibility

 <p><b>Importer</b></p>	<p>Ensure their suppliers are conversant with import quality requirements and that their consignments containing regulated products are accompanied by a Certificate of CoC which is a mandatory document for SAS goods clearance at the border.</p>
 <p><b>Exporter</b></p>	<p>It is the responsibility of the exporters to ensure their goods meet quality and regulatory requirements before shipment, by carrying out tests and obtaining the necessary CoC from the appointed PVoC partners.</p>
 <p><b>PVoC Agents</b></p>	<p>PVoC agents are inspection companies appointed by the Ministry of Trade and Industry. The role of these partners is to undertake conformity assessment activities in the country of origin for products being imported into Ethiopia. These activities include document verification, inspection, sampling, testing, sealing of full-load containers and issuance of CoC. Every consignment of SAS import, that contains regulated products, shall be accompanied by a CoC issued by the PVoC country offices (offices operated and managed by authorized PVoC agent) prior to shipment.</p>
 <p><b>MINISTRY OF TRADE AND INDUSTRY</b></p>	<p>Responsible for the implementation of the PVoC programme and should ensure the quality of imported goods comply with Ethiopian standards and national regulations to gain entry into the country. For the solar pilot programme, MoTI has delegated to the Ethiopian Conformity Assessment Enterprise (ECAE) to support the contract management of the PVoC programme.</p>
 <p><b>ESA</b> ETHIOPIAN STANDARDS AGENCY</p>	<p>The Ethiopian Standards Agency shall be responsible for the administration of national standards and the issuance of the national quality mark for imported products that comply with the Ethiopian standards.</p>

## 2. ENFORCEMENT MEASURES

This section outlines enforcement measures for each stakeholder involved (conformity agencies, MoTI, ECAE, private-sector, and MoWIE) to adhere to the PVoC programme and to ensure proper implementation of the conformity measures. Enforcement is expected to be the most important and difficult part of PVoC management and it involves trying to get people to achieve the objectives of a change strategy in an organisation.

### Leadership roles and responsibilities

During the PVoC programme planning stage, MoTI should **designate a directorate responsible for the implementation of the programme**. This report suggests that the PVoC programme should fall under the **Import and Export Directorate**. Staff managing the PVoC programme should also be assigned specific roles and responsibilities. Both the MoTI and conformity agencies should appoint a technical team composed of qualified solar lab technicians, PVoC project manager, engineers, and accountants. A sample job description for a PVoC project manager is included in Annex I.

The directorate managing the PVoC programme should develop an implementation strategy as a matter of priority. Training should also be provided to the team on the PVoC programme and inspection requirements.

The appointment of a PVoC implementation team is critical to the success of the PVoC programme. Members of the team who have decision-making responsibility should be identified. Decision making involves the application of all intellectual disciplines and the role the team leader plays in problem-solving is vital for the success of the PVoC programme. Problem-solving and decision making should be at the core of the four pillars of the project management cycle, as shown in Figure 1.

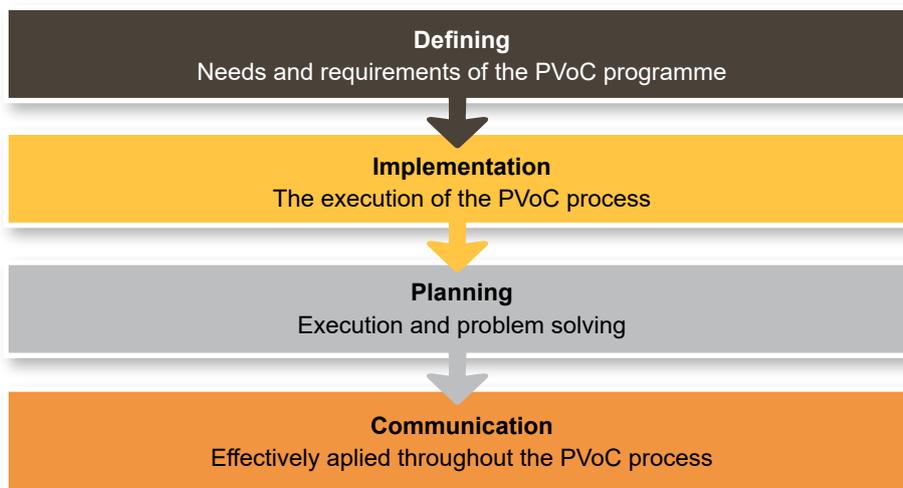


Figure 1: Pillars of the PVoC Implementation

### Infrastructure

The conformity agencies shall establish PVoC country offices to handle conformity assessment for products imported into Ethiopia. ECAE should put in place infrastructure and test laboratories for market surveillance activities. The Africa Clean Energy Technical Assistance Facility (ACE TAF) has been supporting ECAE in building its capacity by providing lab equipment and training on installation and testing.

MoTI should also manage and update the programme website, customer information, business emails, documentation, and share an online calendar of events with PVoC programme implementers.

### Contract management

The PVoC programme should set up a strategic procurement process and offer favourable terms and conditions. Once successful conformity agencies have been selected, a contract agreements should be signed to specify the

activities to be conducted by both parties and the terms through which they will each fulfil their parts of the agreement. Effective contract management can create a powerful relationship and pave the road to greater profitability over the long term.

During the contract period, MoTI should ensure that all parties to the contract fulfil their contractual obligations and manage the relationships between the parties to ensure the contracts achieve the best cost, time and quality.

MoTI should consider the following aspects under contract management:

- ♦ **Competent partners:** should select and appoint strong, competent and recognised conformity agencies.
- ♦ **Financial stability:** It is also important to have PVoC agents that are financially strong to ensure they can conduct testing and inspection services.
- ♦ **Best practices approaches:** Utilise the best-practice models on contract management and enforcement. Kenya can be referred to as an example of how to design and implement PVoC enforcement measures for SAS.
- ♦ **Quality management standards:** These will give MoTI confidence in providing the PVoC service. The PVoC conformity agencies should enforce the ISO 9001 and ISO 14000 to give confidence to MoTI, that they can manage their business and environmental issues as required (ISO 17020 and ISO 17025).
- ♦ **Safeguard issues:** The sustainability of a PVoC programme requires PVoC Conformity Agencies to integrate environmental, ethical, and socio-economic issues to ensure that the service has the least negative impact on the society and environment. This component should be included in the contract documents and should clearly be understood by the PVoC conformity agencies.
- ♦ **Ethical issues:** The government should assess the PVoC conformity agencies for any unethical issues. At the planning stage, the PVoC team should be aware that all organisations are regulated by government agencies and should adhere to laid down laws and regulations for example laws on safety and health.
- ♦ **Remittance:** MoTI should ensure that the royalty fees charged by a contractor or its agents for services provided are remitted on a monthly basis within fourteen (14) days of the subsequent month.

## Tracking

**Monitoring and reporting:** The PVoC agent shall cooperate with MoTI to facilitate monitoring of its conformity assessment activities and shall provide required information to MoTI to facilitate such monitoring. The conformity agency shall submit reports to MoTI within the agreed timelines. MoTI should ensure the PVoC conformity agencies provide secure and reliable electronic transmission of data and store such data in a secure database. Key recommendations include:

- ♦ MoTI should discuss and agree with conformity agencies on timelines for submission of reports
- ♦ For MoTI to develop or use an existing database for storing and organizing this information
- ♦ Assign a staff member to handle database maintenance to support regular assessment and reporting

**Annual operational audit:** The performance of the PVoC conformity agencies shall be reviewed annually to ascertain the position of conformity to the contract. This shall be guided by annual reports and compliance with the conditions of the contract. Poor results in this review shall be discussed with the PVoC conformity agencies and may lead to a warning, suspension of some or all of services being provided for a specified period to allow necessary corrective actions or termination of the contract.

MoTI shall schedule annual operational audits in up to four countries and annual financial audits. Up to three officers appointed by the client shall perform each audit, which shall be funded as follows:

- ♦ Travel from Ethiopia to the port of entry shall be paid for by the Government of Ethiopia.
- ♦ Boarding, subsistence for up to seven days and travel expenses within the country where the audit takes place shall be paid for by the PVoC conformity agencies.

Finally, MoTI should always try to improve its capacity, create fairer working conditions, create opportunities in the marketplace and promote social development. All businesses should therefore practise fair trade for continuous improvement.

### 3. PVoC PROGRAMME IMPLEMENTATION

The duration of the contracts with the PVoC agencies will be three years after a well-functioning team, effective PVoC procedures and communication platform has been established.

#### Forming Stage

- ❖ The first step of the MoTI's PVoC team's life should involve bringing together conformity agents, relevant staff, private-sector, ACE-TAF, and MoWIE within one or two months after the award of the tender. The objective of the forming stage is to define and assign tasks, establish a schedule and organise the team's work. The focus should be on the PVoC programme objectives, scope and members getting to know one another. At the end of the forming stage, PVoC agents should sign a three-year contract with the ECAE.
- ❖ At this stage, stakeholders are also involved in identifying and understanding potential challenges, evaluating alternatives, and mitigating the challenges.

**Import Standardization Mark (ISM):** Work with ESA on the processing of Import Standardization Mark (ISM), applications to ensure that imported products that have a bearing on health and safety being sold in the market have been certified by ESA through the PVoC programme. The objective of the project is to deal with rampant faking of ESA Quality Marks and provide a platform through which ESA will be able to carry out on-field real-time validation and verification of goods bearing its Quality Marks. The system should also provide an online platform for consumers to directly authenticate the validity of certification of goods before purchase.

The key requirements for issuance of ISM for imported products are:

- ◆ Importer of Route A or B shall apply for the issuance of ISM stickers by completing an application form and submitting it to ESA together with copies of CoC, Customs Entry, import declaration form and packing list.
- ◆ For licensed products (Route C of the PVoC programme), the importer shall apply for the issuance of ISM stickers by a completing an application form and submitting it to ESA together with a copy of the PVoC License issued by the MoTI appointed inspection agent to the exporter. The importer shall provide half-year estimated quantities of licensed product(s) retail/ sale units expected to be imported into Ethiopia and pay for the same.
- ◆ Application for ISM stickers MUST be submitted before ESA final clearance of the goods from the port of entry. Application for ISM stickers may be submitted before goods arrive in Ethiopia.

The ISM process includes:

- ◆ ESA verifies payment and the authenticity of the submitted documents against its imports database and processes the ISM by entering the details of the application in the ISM database.
- ◆ ESA encodes and prints each ISM sticker with importer's name, product name, product brand and CoC/ PVoC License/ Inspection or Test Report Details within two working days of receipt of complete application from the importer.
- ◆ Importers or authorised representatives collect ISM stickers and letters detailing the terms and conditions for use of the mark directly from the ESA office.
- ◆ Importers who obtain ISM stickers before goods are shipped out of the country of supply are free to affix the stickers before shipping.

**Quarterly meetings:** The MoTI PVoC team shall host quarterly meetings to deliberate on their activities and objectives, and guidance on how they will work as a team. This is the brainstorming period which involves discussions and sharing ideas to be implemented. Success at this stage entails that the PVoC team is clear on the objective and strategy for achieving success for the programme. In these meetings, the focus should be on developing shared values on PVoC teamwork through putting in place the processes for collaboration, especially effective communication and how to address conflicts that may arise. The outcomes from quarterly meetings should be reported to other actors in the PVoC programme.

**Familiarisation workshops:** Lack of awareness on quality standards and latest developments in the product (including off-grid) technologies and appliances, by customs officers, importers and consumers alike, could affect the implementation of the PVoC programme. For example, there are 15 customs entry points in Ethiopia and only two of them – Addis and Modjo dry ports, apparently have customs officers trained on solar quality standards. So, MoTI should organize familiarization workshops to inform all stakeholders on the PVoC programme, mainly the private sector, customs clearing agents and other relevant stakeholders. It is also important to develop materials for and carrying out “train the trainers”. From experience in several countries in the region, customs agents tend to change frequently. By empowering higher-level employees to train the agents, there’s a higher likelihood of institutional memory.

**Review of the PVoC manual:** the MoTI should also revise the PVoC manual to include verification fees, selected conformity agencies, routes and include further clarification on certification zones. All relevant stakeholders should also take part in the revision process including MoWIE, Ethiopian Energy Authority, Ethiopian Solar Development Association (ESEDA) and Ethiopian Conformity Assessment Enterprise (ECAE)

**Standards Revision and Adoption:** MoTI in collaboration with ESA should also add solar equipment to the scope of the PVoC programme. Equipment to be added should jointly be identified by MoTI, MOWIE and MOTI but it should include solar equipment like invertors, convertors and other components to support the PVoC compliance process.

	TASK	FIRST YEAR												2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
		FIRST QUARTER			SECOND QUARTER			THIRD QUARTER			FOURTH QUARTER				
		M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12		
1	Forming Stage														
2	Implementation/Enforcement														
3	Quarterly Meetings														
4	Familiarization workshops														
5	Review of the PVoC Manual														
6	Standards revision and adoption														
7	Monitoring and reporting														
8	Annual operational audit														



## 4. CONCLUSION

Taking into consideration the measures proposed in this paper should result in well-designed enforcement of the PVoC process. The PVoC team will be up to date with the current issues of globalization, standards, quality process improvement and changes in technology. The enforcement of the PVoC programme should take into consideration changes in technology since this can have major impacts on costs and service.

# ANNEX I: JOB DESCRIPTION PVoC PROJECT MANAGER

## Job Purpose

The job holder Plans, coordinates and reviews strategies and activities that will ensure effective implementation of Pre-Export Verification of Conformity to Standards Programme (PVoC) in line with MoTI objectives to ensure imported products comply with Ethiopia standards to protect the health and safety of consumers and environment.

## Roles and Responsibilities

- a) Participate in the development of the PVoC programme management Work plan and budget
- b) Convene technical meetings with stakeholders to prepare and review the list of products covered under the (PVoC) programme using the risk assessment to products with an impact on safety, health and environment are included.
- c) Prepare monthly, quarterly and annual sectional reports.
- d) Plan, Coordinate and monitor the performance of the PVoC service providers using key performance indicators stipulated in the contracts to ensure contractual obligations are monitored.
- e) Coordinate generation and dissemination of information on the PVoC programme through public notices, workshops and seminars to enhance public awareness of the PVoC programme.
- f) Oversee the preparation of performance and evaluation reports to demonstrate compliance to and achievement of the set objectives in PVoC.
- g) Coordinate internal quality audits, root cause analysis and implementation of corrective actions in line with the requirements of international standard ISO 9001
- h) Convene meetings of the senior MoTI management and executives of the PVoC Service providers to review activities undertaken under the programme
- i) Upon approval from a higher level, the project manager should approve PVoC operating procedures to ensure they are adequate before implementation.
- j) Participate in developing the pricing/costing criteria for the organization's services.
- k) Plan for sensitization and education of the Stakeholders on the application of standards and implementation of PVoC programme through workshops to enhance understanding and improve quality of imported products

## Academic Qualifications

- ◆ Bachelor's degree in Engineering
- ◆ A relevant master's degree will be an added advantage.

## Professional Qualification

Experience as lead auditor in quality management systems, standards Act, conformity assessment requirements, product inspection and sampling techniques to ISO/IEC 17020. The expert should also have a certificate or experience in a supervisory from a recognized institution.



ACE TAF PARTNERS INCLUDE:



STRATEGIC PARTNER:



## Tetra Tech International Development

Fourth Floor, Prosperity House, Westlands Road |  
PO Box 19084 – 00100 | Nairobi, Kenya.