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The Trade Forward Southern Africa (TFSA) programme set out to enhance the participation of SMEs in regional and global value chains in high potential sectors. Working through implementing partners and business support organisations (BSOs) in Botswana, TFSA has delivered sector specific interventions designed to address Non-Tariff Barriers (NTBs) and facilitate compliance with regulatory and standards requirements, as well as the less tangible barriers related to distance to market.



Through this sector specific training and business and product development support, TFSA has helped empower BSOs and SMEs throughout Botswana to improve business operations, and product output and quality to meet international standards and regulations. For many, this means having the increased ability to demand higher prices, and a business and products ready for international markets.

TFSA Priority Sectors in Botswana



Condiments & High Value Specialty Foods

The Government of Botswana has identified indigenous natural resources as a key sector for driving economic growth.



Cosmetics and natural ingredients

TFSA Support to the Condiments and High Value Specialty Foods Sector

Condiments and high value specialty foods is an emerging sector in Botswana, comprising mid-sized and artisanal producers of a range of goods that utilise locally grown and indigenous ingredients. The need is to transition small scale artisanal producers into regional and global export markets by empowering farmers and producers to comply with global food standards, classifications and regulatory processes.

TFSA has worked with business support partners, Business Botswana and Natural Products Association of Botswana (NPAB), to equip firms with the necessary skills and knowledge to expand their reach into the regional markets and beyond.

- Building marketing capacities of SMEs through creation of digital profiles of the businesses and selected products, including
 engaging product description and photography. The aim was to meet the growing need for a professional online presence, and
 to enhance firms' participation in virtual trade expos, find and connect with international markets, and increase/launch online
 sales. Training was conducted on virtual marketing and e-commerce to maximise use of the newly created digital content and
 to effectively develop and maintain an online presence. Content was uploaded on the Business Botswana e-Marketplace and on
 individual websites and social media accounts.
- Training on food safety related regulations and standards requirements, namely Hazard Analysis and Critical Control Points (HACCP) principles, Good Manufacturing Practices (GMP), and ISO 9001 Quality Management Systems. The training was designed to enable firms to set up systems within their food manufacturing and operational processes and to equip them with the knowledge to comply with the necessary international food safety standards, including product labelling, packaging and nutritional content requirements.
- Meeting testing requirements for international markets through sample testing to calculate nutritional content and microbiology testing to ensure global food safety standards are met, both of which are essential for exporting of food products.



I've been using the promotional video on Facebook, Linkedin and Instagram, and people were wowed. Now they think I have a million bucks to make that kind of video! I had tried to make my own clips, but I just can't meet that level of standard that they provided. The video has received lots of great feedback, for example when I went to Hostex in Johannesburg, the reps there were very impressed, so it definitely gives us a more pro look and feel. The brand doesn't look like the one woman show that it is.

- Thato Gabaitse, Lemon & Vinegar

TFSA Support to the Cosmetics and Natural Ingredients Sector

The rapidly growing demand for natural cosmetics presents Botswanan growers and manufacturers with great opportunities to increase their participation in regional and international trade, not least with their easy access to popular natural ingredients such as marula. A growing number of medium-sized producers are entering the space but have faced significant challenges due to the lack of specialised institutional support and the stringent international standards and regulations for natural ingredients products. Another key barrier to export readiness include product formulation and stability, as well as access to access to accredited testing.

TFSA has worked with business support partners, Business Botswana and NPAB, to address some of these challenges through a range of activities.

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- Building manufacturing and product readiness through training on Hazard Analysis and Critical Control Points (HACCP) principles, Good Manufacturing Practices (GMP), and ISO 9001 Quality Management Systems. The training was designed to enable firms to set up systems within their cosmetics manufacturing and operational processes and to equip them with the knowledge to comply with the necessary international standards, including product labelling, packaging and nutritional content requirements.
- Product development through training on formulating personal care products prior to lab testing for product stability and compliance tests, and interpretation of nutritional analysis and microbiological tests. Improved understanding of formulation and results analysis will empower firms to ensure their product ingredients/chemical composition meet the requirements of key international markets in the UK, EU, USA and South Africa.
- Facilitate testing of products in an EU-accredited lab for testing in line with the EU market requirements under regulation number EC 1223/2009, and cosmetics regulation 2021 for the UK market. Testing included stability status, preservative efficacy, micro-limits and pathogens, formulation compliance, and safety and label review. Individual product information files (PIFs) were created by the laboratory, as per EU/UK market compliance. PIFs are cosmetics products dossiers, containing information on ingredients, product safety demonstration etc., and is one of the most important legal requirements for export to the EU and UK.



Product formulation training by South African laboratory, Cape Aloe

Before we partnered with TFSA, we didn't really provide any actual services to our members; we were all individual business owners trying to put things in place and create awareness about natural products in Botswana. Through TFSA support, we are now able to give something to our members while growing our organisation. We have introduced a membership fee of 100 pula (GBP6.50) per month to pay staff and have a more efficient association. The reason we can justify this fee is thanks to the services we're providing with TFSA support, such as training on cosmetics formulation and HACCP and support to participate in expos – these all make a membership appealing to firms.

- Matilda Mpai, NPAB Vice Chairperson

Ongoing support and initiatives will help further the inclusion of Botswanan SMEs in global natural cosmetics and specialty foods value chains. Under the scope of work delivered by TFSA and partners, a number of recommendations were identified.

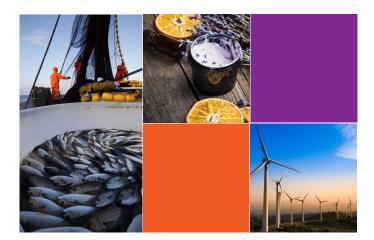
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Key Recommendations for Future Actions

- 1. Some firms, new to digital marketing and engagement, would benefit from continued support in maintaining and updating their digital content to ensure sustainable use and impact, as well as ensuring responsiveness to changing markets.
- 2. Incorporating awareness campaigns into digital content creation and training would help ensure traffic to the various digital platforms on which content is flighted. Organising of virtual trade expos with the opportunity of linking to markets would further maximise impact of digital content.
- 3. The impact of facilitating product testing could be maximised by further support to businesses in their use of test results/certifications to clearly demonstrate their compliance with the necessary regulations, thus easing access to international markets.
- 4. Some firms would benefit from further support to fully implement the necessary changes in their manufacturing and operational processes to meet international standards and regulations requirements.

About TFSA

Trade Forward Southern Africa is a UK Government funded initiative that supports the SACU+M business community to grow regional and international export trade through a diverse range of free exporter focused tools, training and resources designed to provide a broad overview of important trade and customs related subjects. Learn more on the <u>Trade and Information Hub</u>, and follow us on <u>LinkedIn</u>, <u>Twitter</u> and <u>Facebook</u> for ongoing updates.



TFSA Business Support Partners in Botswana



<u>Business Botswana</u> is a voluntary representative body for businesses across all economic sectors in Botswana, also functioning as a Chamber of Commerce.



<u>The Natural Products Association of Botswana</u> (NPAB) is a young and growing sector specific association, representing businesses of varying sizes and operational/export experience.



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