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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 Namibia, 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 Namibia 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 Namibia

Aquaculture



Cosmetics and natural ingredients

Both sectors have great potential to grow export trade and access high value international markets if firms have the tools to overcome technical barriers. The aquaculture sector benefits from a well-developed infrastructure. SMEs in the cosmetics and natural ingredients sector can leverage the country's rich indigenous natural resources and the government's Growth at Home Strategy.

TFSA Support to the Aquaculture Sector

With growing production and competition in traditional export markets for shellfish and molluscs, there is an urgent need for Namibian aquaculture farmers to access new international markets, particularly in Europe. However, Namibian producers face significant challenges in complying with the European market's safety and quality standards. For example, abalone farmers have yet to pass an EU audit of their produce, essentially cutting them out of the market.

TFSA designed a range of activities to support the aquaculture industry in Namibia in partnership with Imani Development:

- <u>EU regulatory compliance guidelines</u>, developed for use by farmers and the competent authorities, outlining the sanitary
 requirements and referencing the applicable regulatory instruments, and the testing and certification requirements for complying
 with the regulations.
- The <u>regional laboratory capability matrix</u> lays out the testing requirements, as presented in the compliance guidelines, and matches them with accredited laboratories – both to streamline the testing process and to identify the gaps in the control system that need addressing.
- The <u>Roadmap towards European Union Compliance report</u> is based on a review of the officially documented shellfish monitoring programmes in Namibia and contains recommendations for improving control systems to align with EU regulations.
- Training on the identification of harmful algal blooms delivered to lab technicians and government officials involved in early
 warning systems. The training was designed to build the necessary skills to identify harmful organisms in water or products to
 ensure food safety standards are met, as per sanitary and phytosanitary (SPS) requirements in domestic and export markets.



Moving forward, we will now incorporate techniques that will enable us to trace our sampling results, to know why we have the results that we have. It was really helpful for us, as individuals, as fellow scientists, and as an institution. It will make a big impact going forward.

- Training Participant, Namibia Ministry of Fisheries and Marine Resources

HAB training participants during the 8-day intensive end-run hosted by the Namibian Ministries of Fisheries and Marine Resources

The resources produced by TFSA were introduced to regional industry stakeholders at the Aquaculture Association of Southern Africa (AASA) 14th annual conference in Stellenbosch, July 2022. Keynote speakers, George Barrett, from TFSA's project sponsor, Foreign Commonwealth & Development Office (FCDO), and Etienne Hinrichsen from AquaEco, who led on much of TFSA's aquaculture work, spoke to the UK Government's support to the sector, and the standards and regulations involved in accessing the European market, respectively.

This mix of activities has helped ensure that the whole aquaculture value chain can address compliance issues and put in place appropriate control systems at every level. TFSA identified a number of recommendations for industry stakeholders to sustain and scale up the work undertaken:

Key Recommendations for Future Actions

- 1. Supporting the national competent authorities to implement the steps outlined in the Roadmap to European Compliance report to develop control systems aligned with EU regulations and prepare the industry for EU audits.
- 2. Supporting laboratories to develop their capacities to conduct tests in alignment with the EU regulations.
- 3. Regular skills development efforts on technical aspects such as HAB to ensure that the skills level is consistently and constantly updated and/or maintained.

TFSA Support to the Cosmetics and Natural Ingredients Sector

The cosmetics and natural ingredients sector is one of the fastest growing sectors in the country with a promising global growth potential, largely driven by the availability of rich indigenous resources used for natural ingredients seeing increased demand in international markets. Several programmes and initiatives have been undertaken to support the sector. The Government of Namibia has made the sector a priority and put in place a Growth Strategy for the Cosmetics Industry and Associated Value Chains, and international donors have partnered with private sector bodies and government departments developing the sector.

This presented an opportunity for TFSA to collaborate and leverage and build on the existing foundation to provide meaningful support for accelerated export growth. TFSA worked with business support partners, the Namibian Network of the Cosmetics Industry (NANCi) and Namibian Standards Institution (NSI), to design and deliver a range of activities.

- **Product development** through training on formulating personal care products to empower firms to ensure that 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 in line with the EU market requirements under regulation number EC 1223/2009, including stability, hygienic and allergenic tests, as well as review of labelling information. Individual product information files (PIFs) were created by the laboratory, as per EU 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.
- Strengthening verification capacity of NSI to support SMEs comply with Good Manufacturing Practices (GMP) guidelines. This
 included developing and equipping NSI inspectors with a GMP assessment and inspection manual for establishing manufacturers'
 conformity standards, and training of NSI staff on the principles of GMP in cosmetics and the standard's implementation modalities.
 Training was subsequently tested and delivered to SMEs, and the initiative was promoted to the industry at large through workshops.
- Building export readiness of SMEs in the sector by editing and re-packaging a previously developed <u>GMP manual</u> to support
 practical implementation of the GMP requirements in their manufacturing processes. <u>Production of a Cross Border Toolkits
 document</u>, containing details of 14 internationally sought-after natural ingredients and the Harmonized System codes for cosmetic
 product categories and their natural ingredients, for improved compliance and access to international markets.
- Linking to potential markets and networking for selected NANCi members who participated in an exchange visit to Ghana, jointly
 facilitated by the British High Commission Windhoek, the Namibian High Commission, the Ghana Export Promotion Authority and
 the Ghana Association of Detergents and Cosmetics. During the visit, 6 Namibian women-led cosmetics companies conducted a
 total of 26 B2B meetings, offering an opportunity for learning from Ghanaian firms and establish linkages in a new market.



Before sending the products to the lab for testing, I was advised on how to tweak the formula for one of my products. This was really helpful, because it meant I could make a few corrections before sending it off to the lab, and not waste the time and effort.



- Zodidi Gaseb, African Naturals



GMP workshop organised by NSI and attended by representatives from the British High Commission and the Ministry of Trade and Industrialisation

During implementation, TFSA and partners identified a number of recommendations to sustain and scale up interventions.

Key Recommendations for Future Actions

- 1. SMEs would benefit from post-testing follow-up support to ensure that they effectively use the test results in marketing their products and successfully enter new markets.
- 2. Documenting common challenges in product testing required for export markets could help to streamline and ensure cost effectiveness in the process for future testing by other manufacturers.
- 3. Support that culminates in linkage to markets have proved to be highly motivating and can incentivise the complete implementation of practices and strategies.
- 4. Ongoing supervision would help ensure correct implementation of GMP in manufacturing processes.
- 5. Availability of continued GMP training would help ensure that SMEs stay informed of any changes to the framework or updates in international requirements.
- 6. To maximise impact of the Ghana exchange visit and to foster inter-African trade, a return visit by Ghanaian stakeholders to Namibia would help firm up relationships, and samples of Namibian products should be sent to Ghana. NANCi is well placed to undertake these activities if provided with financial support.

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 Namibia



<u>NANCi</u> is a private sector representative body for businesses along the entire value chain, including raw material suppliers, ingredient producers, end-product manufacturers and service providers in the health and personal care sector.



<u>NSI</u> is a government national regulatory body under the Ministry of Trade and Industrialisation (MTI) responsible for developing Namibian standards and implementing conformity assessments and assurances for all sectors according to international regulations and standards.



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