The AfCFTA Guided Trade Initiative: Namibia’s Preparations to Participate

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Namibia’s main Intra-African trade partners are SACU/SADC FTA states; RSA, Botswana, Zambia while within Africa its Angola, DRC, Tunisia, Togo, Morocco, Cote D'Ivoire, Liberia, Nigeria, Ghana, etc.;

- Angola, Comoros and DRC are not signatories to the SADC FTA.

- Trade in commodities such as minerals is undertaken with minimal value addition;

- Mainly exports products such as fish, minerals, salt, meat, onions;

- Imports products such as minerals (cobalt, diamonds, copper), cosmetics, veterinary vaccines, oils/fuels;

- Trade happening on an MFN basis besides the SACU or SADC FTA.
NAMIBIA’S AfCFTA JOURNEY THUS FAR

❖ Namibia participated in the AfCFTA negotiations: Trade in Goods as part of the Southern African Customs Union;
❖ Ratified the AfCFTA Agreement on 01/02/2019;
❖ AfCFTA National Implementation Strategy launched in November 2022 (Support by UNECA):
  ❖ Committee: Public, Private, CSOs, Academia; NTF is the Secretariat;
❖ Common SACU Tariff Offer concluded and the PSTC adopted in May 2023;
❖ South Africa gazetted PSTC in January 2024 (plus Lesotho & Eswatini), Botswana (March 2024). Namibia’s process to be finalized by end of June and AfCFTA/GTI launch expected in July 2024;
❖ Most trade under GTI/AfCFTA will be on an MFN basis as Namibia’s offensive products are not fully liberalized by other State Parties;
  ❖ e.g., Exports beef to ECOWAS region via Ghana, no preferences even under the AfCFTA, new markets for NCAs.
**Summary of the SACU’s PSTC:**

- **Category A; 90% - 10-years phase down**
- **Category B; Sensitive 7%**
- **Category C; Exclusion 3%**

<table>
<thead>
<tr>
<th>Description of Categories</th>
<th># Tariff lines</th>
<th>%</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category A (90 percent level of ambition)</td>
<td>7111</td>
<td>90%</td>
<td>Adopted by CoM in May 2023</td>
</tr>
<tr>
<td>Categories B and C (Sensitive 7% &amp; exclusion 3%)</td>
<td>790</td>
<td>10%</td>
<td>Intra-regional consultations ongoing</td>
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<tr>
<td>Universe of the SACU Tariff Book as of 31 May 2019</td>
<td>7901</td>
<td>100%</td>
<td></td>
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NAMIBIA’S GTI PRODUCTS OF INTEREST

Sectors identified for priority trading under GTI;

- Agriculture, Charcoal, Cosmetics, Game Meat, Pharmaceuticals and Textiles and Leather

<table>
<thead>
<tr>
<th>Agriculture</th>
<th>Game meat</th>
<th>Textiles &amp; leather</th>
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</thead>
<tbody>
<tr>
<td>Beef and meat products, dairy and juice products, chicken and poultry products, fish (squid rings, hake fillet), salt, tomato sauces, spices, pasta, sugar, self raising flour, rice, cornflakes, maize meal, instant porridge, noodles, grapes, citrus, blueberries, wine, Marula oil, Kalahari melon oil, nongongo oil, jojoba oil</td>
<td>game meat, dry meat; biltong, chilli bites, droewors</td>
<td>textiles and clothing, leather products, bags, shoes, wallets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cosmetics</th>
<th>Charcoal</th>
<th>Pharmaceuticals</th>
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<tbody>
<tr>
<td>ximenia oil, herbal hair growth oil, unrefined shea butter, cleaning soap, cosmetics</td>
<td>Charcoal</td>
<td>Pharmaceuticals</td>
</tr>
</tbody>
</table>
WAY FORWARD

❖ AfCFTA Secretariat undertook consultations with Namibia and companies ready for GTI were identified in 2023;
❖ Awaiting to launch overall trade including the GTI in July 2024;
❖ Trading under the GTI will create awareness and encourage women and youth owned MSMEs to come on board, hence launch is highly recommended;
❖ Continue engaging on Tariff Negotiations with State Parties to increase coverage of Category B goods;
❖ Increased effort towards trade facilitation by strengthening the National Trade Facilitation Committee;
   ❖ Trade facilitation for movement of persons, simplification of border measures/STR, infrastructure (ports, roads and rail network);
❖ Beyond the GTI - there is a need for diversification, i.e., green hydrogen, oil discoveries and regional value chains are therefore crucial;
❖ Policies should be geared towards value addition and local beneficiation.
   ❖ Collaboration with private sector on policy development and not in isolation.
THANK YOU!

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