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

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NAMIBIA's INTRA-AFRICA TRADE PROFILE

- 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.

SACU TARIFF OFFER

❖Summary of the SACU's PSTC:

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

Description of Categories	# Tariff lines	%	Status
Category A (90 percent level of ambition)	7111	90%	Adopted by CoM in May 2023
Categories B and C (Sensitive 7% & exclusion 3%	790	10%	Intra-regional consultations ongoing
Universe of the SACU Tariff Book as of 31 May 2019	7901	100%	

NAMIBIA'S GTI PRODUCTS OF INTEREST

Sectors identified for priority trading under GTI;

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

Agriculture	Game meat	Textiles & leather
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	**game meat, dry meat; biltong, chilli bites, droewors**	textiles and clothing, leather products, bags, shoes, wallets
Cosmetics	**Charcoal**	**Pharmaceuticals**
ximenia oil, herbal hair growth oil, unrefined shea butter, cleaning soap, cosmetics	Charcoal	Pharmaceuticals

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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