

Strengthening the Quality of Essential and Vegetable Oils Exports from South Africa

—
Global Quality
and Standards
Programme
(GQSP)



Quick facts

Main Counterpart

The Departments of Trade and Industry (the dti)

Other Counterparts

Agriculture, Forestry and Fisheries (DAFF) and agencies, Department of Environmental Affairs (DEA), Department of Small Business Development (DSBD) and agencies, South African Essential Oil Producers Association (SAEOPA)

Donor

The Swiss State Secretariat for Economic Affairs (SECO)

Implementing Agency

The United Nations Industrial Development Organization (UNIDO)

SECO Budget

EUR 1.38 Mio

Duration

42 months



South African Indigenous Essential and Vegetable Oils

With over 21,000 plant species, South Africa is the third-most biologically diverse country in the world and the conservation of this biodiversity is high on the government's agenda. The indigenous essential and

vegetable oils value chains have a high growth potential and can contribute to South Africa realizing value added industrial growth whilst also supporting employment creation and shared prosperity.

The Opportunity and Challenge

South African essential and vegetable oils are demanded by major economies such as the United States, Germany, Netherlands and the United Kingdom and expanding to Spain, and Switzerland, Japan, Tanzania, Kenya. The export potential estimated for essential and vegetable oils over the next 5 years is over USD (\$) 45 Mio.

However, currently only a fraction of the essential and vegetable oils produced in South Africa is exported to regional and international markets. The reasons for this ranges from difficulty to scale up from pilot to commercial level, to meeting international legislative and buyer requirements (testing, certification etc.).

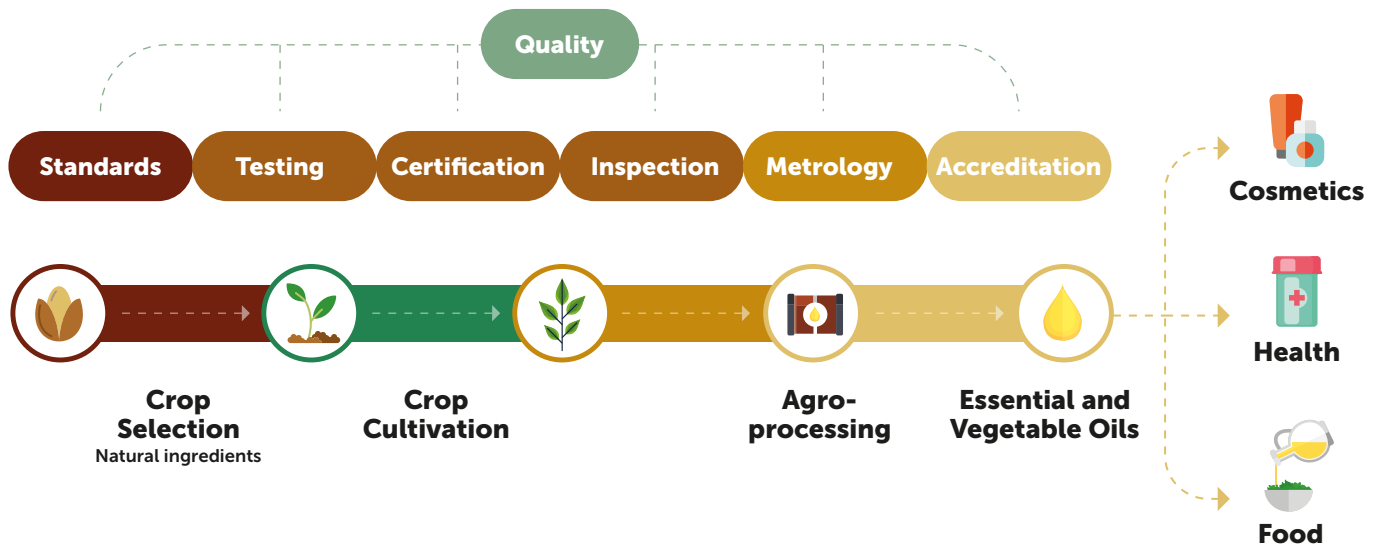
Objective

Strengthen the quality and standards compliance capacity to facilitate market access for Small and Medium Size Enterprises (SMEs) in the essential and vegetable oils value chain destined for food, health and cosmetic markets.

▼ The Approach

The value chain for essential and vegetable oils encompasses all operations from the stages of cultivation, harvesting and agro-processing until the product reaches the end users in the desired

quality and at an affordable price. Different quality requirements and standards are present all along the value chain.



In order to assist SMEs produce essential and vegetable oils of the quality required by the target market, this project will work with: 1) the quality infrastructure institutions and service providers that prove and verify the quality of the product and 2) SMEs to use available quality services to produce goods and services in line with international market requirements. At the same time, the project will

support both SMEs and institutions to instill a sense of demand for quality at individual, institutional and policy level to ensure sustainability of the quality system. The three fundamental dimensions of a quality system will be addressed simultaneously to tackle the challenges identified in the essential and vegetable oils value chain in a holistic and sustainable manner ensure.

Expected results

Target interventions have been developed to address the bottlenecks in the following categories:

- Strengthen the National Quality Infrastructure (NQI) institutions and service providers to offer quality services fit for purpose, at affordable prices required by SME's to confirm the quality of the products
- Support SMEs to comply with international market requirements (standards and technical regulations) in order to access markets (local, regional and international)
- Promote a culture of quality by supporting SMEs and institutions to embed the need for quality at individual, institutional and policy level to build the reputation of the products produced.

These interventions aim at aligning the demand for and supply of quality services required for SMEs to prove and verify the quality of products to buyers.



▼ The Partners

▼ Beneficiaries

- **SMEs :**
 1. Growers/contract farmers
 2. Processors/distillers
- **Producer associations** (SAEOPA)
- **Conformity Assessment Bodies** testing laboratories, certification and inspection services in South Africa and in the region

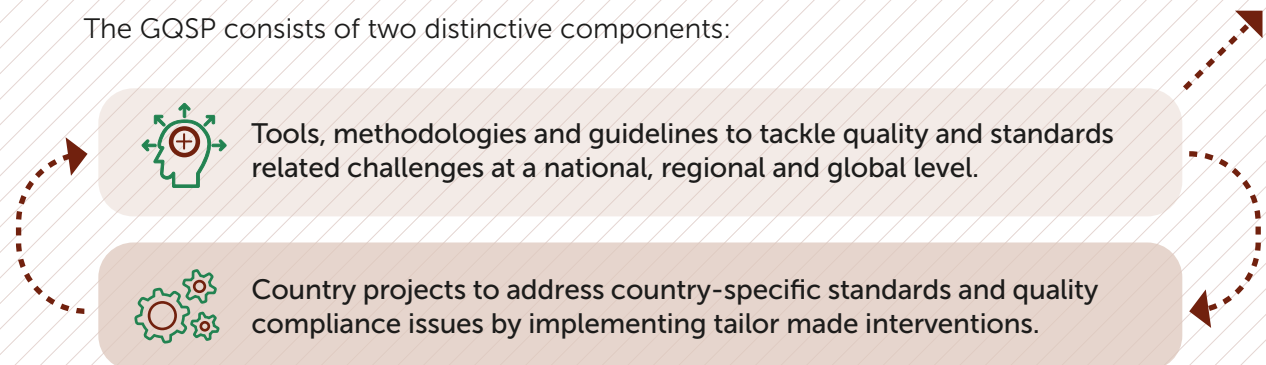
▼ Partners

- **the dti** and agencies
- **DEA**
- **DAFF and agencies**
- **Training providers**
- **South African Quality Institute** (SAQI)
- **Deutsche Gesellschaft für Internationale Zusammenarbeit** (GIZ) - **ABS Compliant Biotrade Project**
- **Swiss Import Promotion Programme** (SIPPO)

▼ The UNIDO-SECO Global Quality and Standards Programme [GQSP]

An innovative programmatic approach was developed by SECO and UNIDO to address sustainably the quality and standards compliance capacity challenges in partner countries to facilitate market access for SME by working in emblematic value chains per country.

The GQSP consists of two distinctive components:



The interaction between the two components will facilitate synergies, enhance coherence among the interventions and lead to increased effectiveness and efficiency.

The GQSP foresees the development of 12 country projects over its lifetime of five years, **South Africa being the pioneer.**





the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



▼ About the dti

The Department of Trade and Industry of South Africa, is responsible for the transformation of the economy by promoting industrial development, investment, competitiveness and employment creation; building a mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives; facilitation of a broad-based economic parti-

cipation through targeted interventions to achieve more inclusive growth; creation of a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner; and to promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery.

▼ About SECO

SECO's Economic Cooperation and Development division is responsible for the planning and implementation of economic cooperation and development activities with middle income developing countries, countries of Eastern Europe as well as new Member State of

EU. It coordinates Switzerland's relations with the World Bank Group, the regional development banks and economic organizations of United Nations. SECO is part of the Federal Department of Economic Affairs, Education and Research (EAER).

▼ About UNIDO

The United Nations Industrial Development Organization (UNIDO) is determined to carve its niche in contributing to Agenda 2030 and the SDGs by promoting and accelerating Inclusive and Sustainable Industrial Development (ISID) to achieve shared prosperity and environmental sustainability around the world. UNIDO is

a key player in the fight to end poverty - while its activities contribute to numerous goals relating to people, prosperity, planet, peace and partnerships, its mandate is embedded in Sustainable Development Goal 9: build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

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