



EUROPEAN COMMISSION



REPUBLIC OF NAMIBIA

Synopsis of the Outcome of the Study on the Impact of SADC-EU Economic Partnership Agreement on Namibia's Economy and Stakeholders.

What is special?

Namibia and the European Union (EU) recently completed a comprehensive study of the impact of SADC-EU Economic Partnership Agreement (EPA) implementation on Namibia's economy and stakeholders. The study assessed how much Namibia has implemented its EPA commitments, the trade, economic, social and environmental effects of EPA as well as implications of the EU Green Deal including other European Union Autonomous trade measures on Namibia's market access to the EU market.

Who participated?

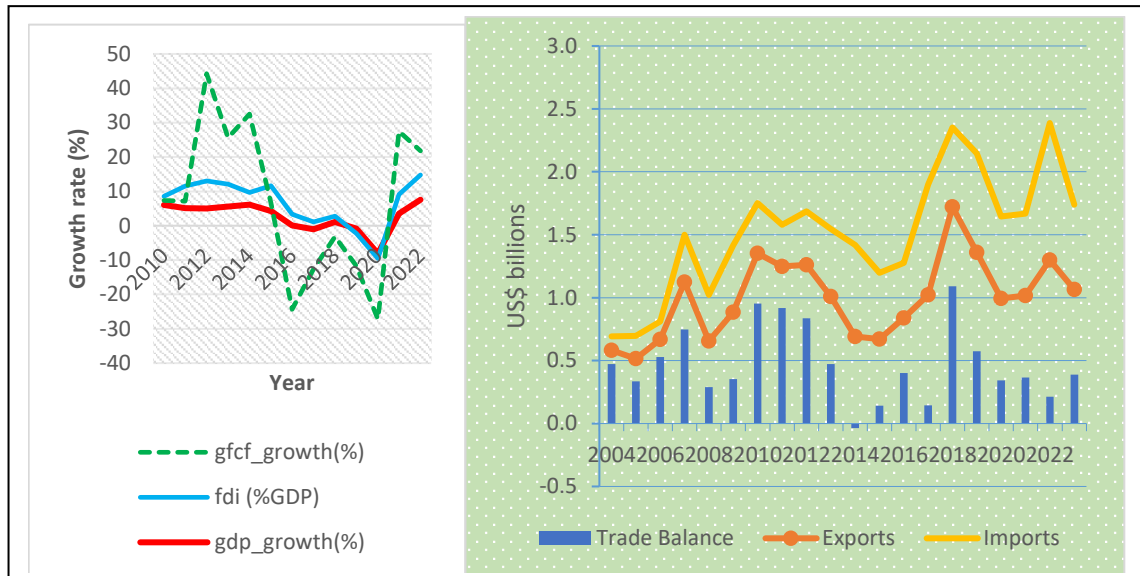
Various stakeholders, the public and private sector entities, civil society organizations, think tanks and research centres participated in the study by providing insights and views regarding the impact of the EU- Namibia EPA.



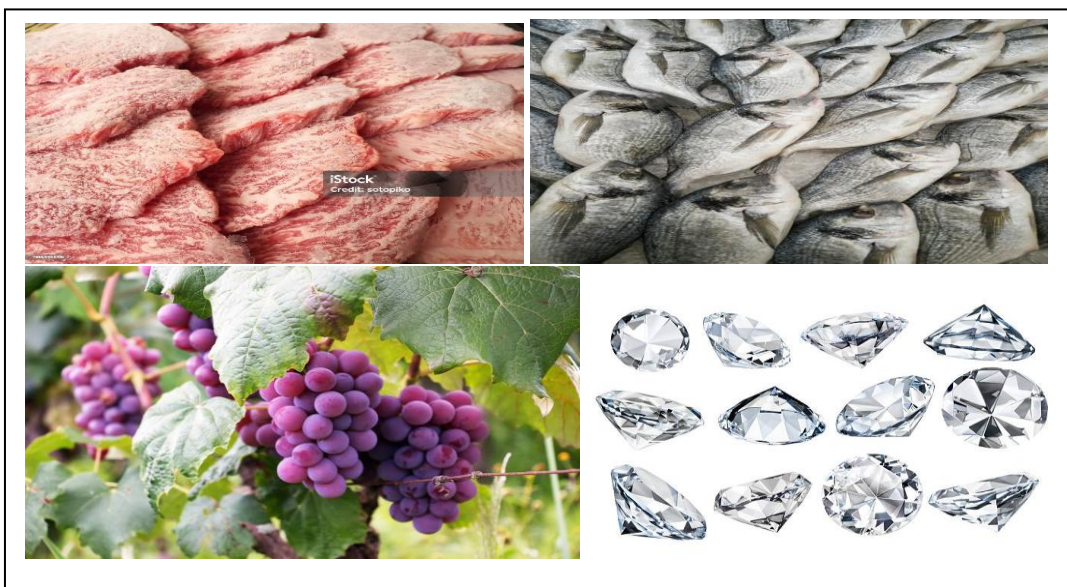
Namibia-EU EPA- A Partnership that works

What are the study findings?

The study concluded that implementation of the SADC-EU EPA has Namibia on a promising path, yielding several benefits in terms of market access and economic growth.



1. Thanks to improved market access and reduced trade barriers, the EPA revitalized Namibian exports to the EU as its export portfolio to the EU expanded and diversified. Prominent exports to EU include minerals (zinc and copper), fish and seafood, grapes, beef, and other agricultural products. Favourable climatic conditions have contributed to the growth of grape exports, with Namibia gaining recognition for its high-quality production practices.
2. Namibian consumers have experienced positive outcomes. Lower prices, a broader range of choices, and improved quality of consumer goods characterize the trade liberalization fostered by the EPA.
3. At national level and controlling for the effects of the COVID-19 pandemic, the study concluded that implementation of the EPA in Namibia led to an increase in economic growth, from an average of 1.08% before the EPA to 4.37% in the two years after implementation.
4. In particular, the EPA had positive impacts on crop production and foreign direct investment, even accounting for pandemic disruptions. However, the effects on employment have been more limited and temporary, with no sustained improvements in unemployment,
5. Namibia's commitment to sustainable development, including environmental protection and sustainable energy practices, resonates with the objectives of the EU Green Deal. By prioritizing green sectors such as renewable energy and sustainable agriculture, Namibia can leverage the EPA to further its sustainability goals.



What is being recommended?

To maximize Namibia's benefits from the EPA, the study recommend following actions:

1. **DIVERSIFY THE EXPORT BASE TO THE EU:** Promote value-added processing, enhance exporters' capacity to meet EU standards, and foster collaboration between exporters, government agencies, and trade support institutions. Explore new sectors for trade diversification and value chain development.
2. **BOOST COMPETITIVENESS:** Invest in infrastructure, technology, and skills development. Improve transportation and logistics networks, adopt advanced manufacturing processes, and provide skills training programs which enables production of high-quality products that meet the standards of the EU market.
3. **ENHANCE COMPLIANCE WITH SANITARY AND PHYTOSANITARY STANDARDS:** Prioritize efforts to overcome trade barriers by addressing issues such as mercury levels in fish, ensuring proper health certificates, and strengthening quality control systems, testing protocols, and traceability systems.
4. **SUPPORT MICRO, SMALL, AND MEDIUM ENTERPRISES (MSMEs):** Provide capacity building programs, (training in business management, marketing strategies, access to finance, and establishing information centres) awareness campaigns, and government support to help MSMEs benefit from the EPA.
5. **BRIDGE THE KNOWLEDGE GAP:** Organize public forums, workshops, and educational campaigns to provide accurate and up-to-date information about the EPA.

6. **FOCUS ON SUSTAINABLE DEVELOPMENT:** Collaborate with the EU to maximize EPA benefits while integrating environmental policies into national development planning processes. This involves capacity building, monitoring, reporting, and awareness campaigns.

The study concludes that EPA has opened doors for Namibia to an enriched trade relationship with the EU, fuelling export growth and bolstering market access. Strategic interventions focused on diversification, MSME empowerment, and sustainable development will pave the way for Namibia to unlock the full potential of this transformative partnership.