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

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 participation 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 States of the 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.

Global Quality and Standards Programme (GQSP)

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

United Nations Industrial Development Organization
Department of Trade, Investment and Innovation (TII)
Vienna International Centre
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Quick facts

Main Counterpart
The Departments of Trade and Industry (the dti)

Other Counterparts
Agriculture, Forestry and Fisheries (DAFF) and agriculture, Department of Small Business Development (SDBD) 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
€16.3 million

Duration
42 months

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.

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.

In order to assist SMEs produce essential and vegetable oils of the quality required by the target market, this project will work within: 1) the quality infrastructure, institutions and service providers that process and verify the quality of the products 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 instil 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.

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, and expanding to Spain and the United States, Germany, Netherlands and the United Kingdom and expanding to Spain and Switzerland, Japan, South Africa being the pioneer.

The GQSP foresees the development of 12 country projects over its lifetime of five years, to facilitate market access for SME by working in emblematic value chains per country. The GQSP consists of two distinctive components:

1. Processors/distillers
2. Growers/contract farmers

SMEs
- Growers/contract farmers
- Processors/distillers

The Partners

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

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

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

1. Strengthen the National Quality Infrastructure (NQI) institutions and service providers to offer quality services fit for purpose, at affordable prices required by SMEs to confirm the quality of the products
2. Support SMEs to comply with international market requirements (standards and technical regulations) in order to access markets (local, regional and international)
3. 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.

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Some facts
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