

GQSP-SA's primary counterparts



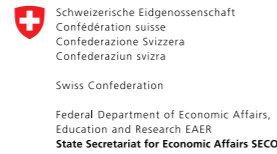
About the dtic – Our main counterpart

The dtic is responsible for enabling a dynamic industrial, globally competitive South African economy, characterised by meaningful economic transformation, inclusive growth and development, decent employment and equity, which is built on the full potential of all citizens. By coordinating the contributions of government departments, state entities and civil society, the dtic aims to improve the alignment of economic policies, plans of the state, its agencies and government's political and economic objectives and mandate. Through a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development, the dtic foresees broader participation in the economy to strengthen economic development.



About SECO – Our donor

SECO is the Swiss Confederation's centre of expertise for all core economic policy issues, including economic cooperation and development. Its mandate is to facilitate economic growth and sustainable prosperity in its partner countries. It thereby ensures that all segments of the population benefit from such growth, and that it does not compromise the well-being of future generations. This reduces poverty and fragility. It also mitigates global risks such as economic and financial crises and climate change. The Economic Cooperation and Development division of SECO 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 European Union. It also coordinates Switzerland's relations with the World Bank Group, regional development banks, and economic organisations of the United Nations.



SECO currently supports four biotrade projects in South Africa which aim to increase the value and recognition of the South African biotrade sector; strengthen compliance with market and regulatory requirements; develop skills and capacity in people, building their confidence to participate in the biotrade ecosystem; and improve responsiveness and dynamism among stakeholders supporting the sector.

About UNIDO – Implementing agency

UNIDO is determined to carve its niche in contributing to Agenda 2030 and the SDGs by promoting and accelerating Inclusive and Sustainable Industrial Development 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 SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.



GQSP-SA unlocking the export potential for producers of essential and vegetable oils

Essential oils global market value

2018 **\$7.03 billion** ▶ 2026 prediction **\$14.60 billion**

South Africa's essential oils exports

2018 **R8.2 million** (~ \$452,957) ▶ 2023 **R12.5 million** (~ \$690,265)

Vienna International Centre
PO Box 300, 1400 Vienna, Austria

hub.unido.org
www.unido.org



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INDUSTRIAL DEVELOPMENT ORGANIZATION

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Unlocking the export potential of essential and vegetable oils in South Africa

Global Quality and Standards Programme in South Africa (GQSP-SA)

GQSP-SA Phase II partners

Main counterpart

The Department of Trade, Industry and Competition (the dtic) and its agencies

Other counterparts

The Department of Agriculture and its entities

The Department of Forestry, Fisheries and the Environment

The Department of Small Business Development and its agencies

The Southern African Essential Oil Producers Association (SAEOPA)

Donor

The Swiss State Secretariat for Economic Affairs (SECO)

Implementing agency

The United Nations Industrial Development Organization (UNIDO)

Duration

June 2023 to 2027

Introduction

South Africa is recognised for its exceptional biodiversity with more than 21 000 plant species and is the third most biologically diverse country globally.

The GQSP-SA Phase II project builds on the success of the GQSP-SA Phase I project. Phase II augments the project approach through continuous improvement at thematic and operational levels. This ensures that continued efforts remain effective and meet the needs of the essential oils and vegetable oils industry. In line with these efforts, the project considers ongoing global developments like new technologies and digital transformation, while ensuring environmental sustainability and improved service delivery. The GQSP-SA Phase II project will be going beyond the quality focus and includes, for instance, facilitating access to finance for the industry.

The quality-of-life benefits locked up in this rich natural treasure greatly increase the export potential to major economies such as Europe, the United Kingdom and the United States of America with growing demand from the African continent, Canada, Japan, and South Korea.

The GQSP-SA Phase I (2018–2023) focused on standards, quality assurance, accreditation and metrology activities to strengthen the quality of essential and vegetable oils exports from South Africa. This success laid the foundations for Phase II, which commenced in June 2023.

Project beneficiaries include Small and Medium Enterprises (SMEs) in the production of essential and vegetable oils produced from indigenous species, the industry association (SAEOPA) and conformity assessment bodies.

Objective

SMEs continue to encounter substantial challenges to demonstrate compliance with market entry quality requirements, thus facing potential technical barriers to trade that hinder market access. The overall objective of the GQSP-SA Phase II project is to improve framework conditions to contribute to greater international competitiveness and increased South African exports of essential and vegetable oils produced from indigenous plant species, stimulating trade and thereby contributing to improved livelihoods and job creation and ultimately the Sustainable Development Goals (SDGs).

Target indigenous species and industries



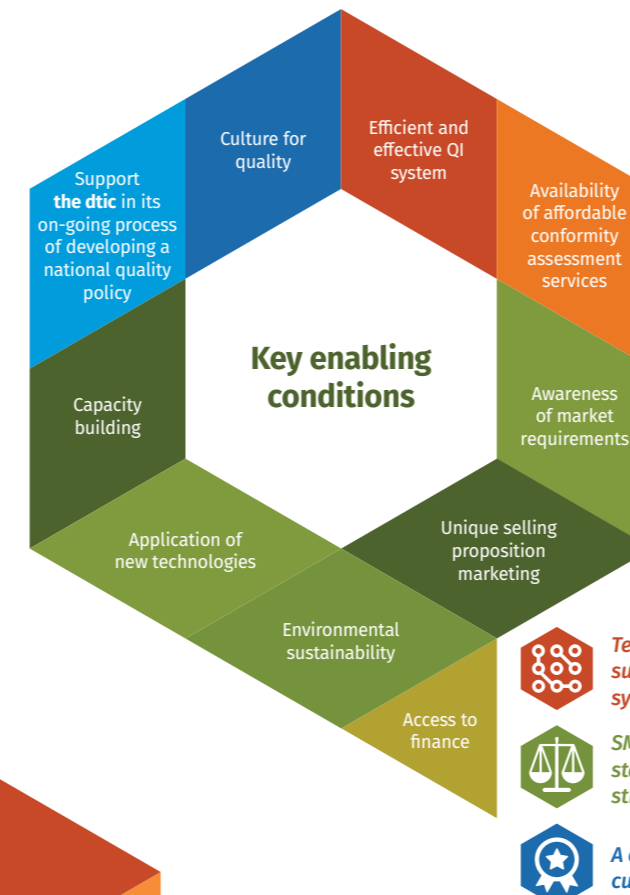
National standards published

SANS 4731:2021 *Pelargonium x ssp. (geranium)* essential oil
SANS 2239:2022 *Adansonia digitata L. (baobab)* seed oil
SANS 2340:2023 *Sclerocarya birrea caffra (marula)* seed oil



Approach

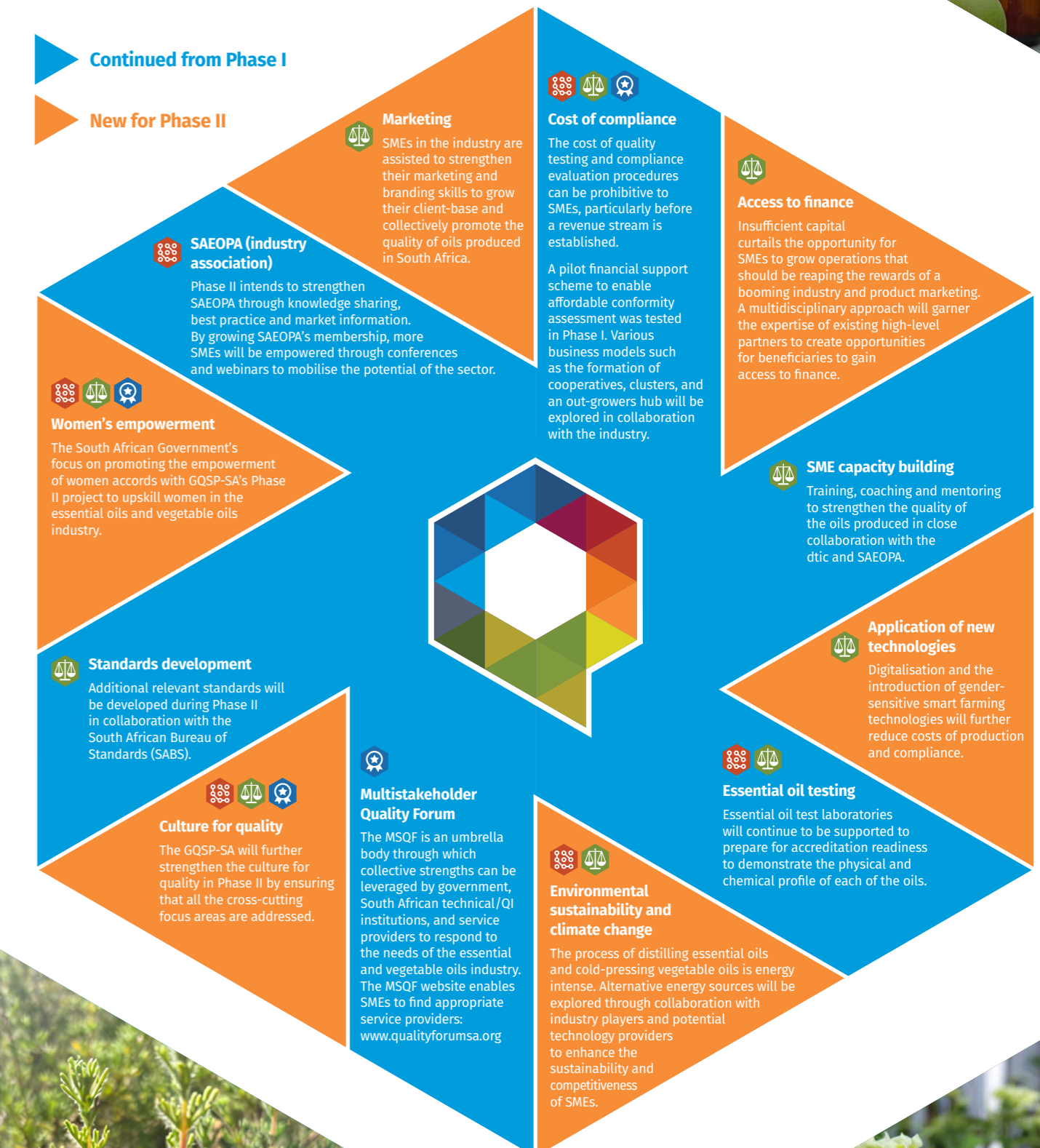
The approach for Phase II builds on the results and findings of Phase I which showed the need for cross-cutting focus areas to further address the challenges faced by GQSP-SA beneficiaries.



- Technical competence and sustainability of the National QI system is enhanced**
- SME compliance with international standards and technical regulations strengthened**
- A conducive policy environment and culture for quality is strengthened**

Cross-cutting focus areas

Cross-cutting focus areas will ensure that optimal conditions exist within the South African essential and vegetable oil value chain to produce quality verified products for export.



Outcomes

The project envisions the following results:

- Technical competence and sustainability of the National Quality Infrastructure (QI) system is enhanced**
 - The services provided by the QI system is further leveraged and enhanced (development of national standards, traceability, accreditation and compliance with legal metrology requirements).
 - Coordination of quality infrastructure institutions' functions is enhanced.
- SME compliance with international standards and technical regulations is strengthened**
 - The capacity of producer groups and SMEs along the value chain is strengthened to improve compliance with standards and technical regulations and the export market's requirements through collective efficiencies.
 - Introduction of new technologies to SMEs and new services from the industry association for the sustainability of the industry.
- A conducive policy environment and culture for quality are strengthened**
 - Key actors along the value chain understand, promote and instil quality principles and systems.
 - Key regulators and local funding agencies understand, promote and instil quality principles and systems.

