



# BioTrade: A Catalyst for Transitioning to a Green Economy

*Country study for Namibia*

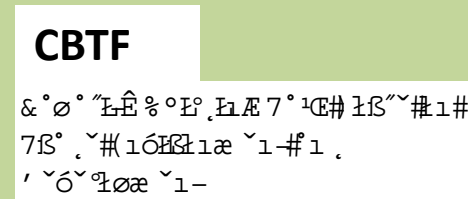
Biotrade and Green Economy Week  
in Nepal, 31 May – 3 June 2011

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# Green Economy Study

- Specific activity under CBBT project
- Parallel studies in Namibia, Nepal, Peru
- Country analysis aims to identify opportunities to greening the economy through biotrade
- A Green Economy can be characterised by substantially increased investments in economic sectors that build on and enhance natural capital and reduce environmental risks.
- In Namibia: need to look at Green Economy opportunities in context of Vision 2030, aiming to transform Namibia to an industrialised country by 2030, with a majority of people living in urban centres and a substantially reformed agriculture sector.

# Study process

- Preparation of working draft presentation for 1<sup>st</sup> National Workshop
- Stakeholder consultations at 1<sup>st</sup> National Workshop in August 2010, refinement of study scope and input collection
- Draft report for national/ international review (end of November 2010)
- Final draft in March 2011, to be presented at Green Economy Dialogues July 2011



# Study content

## **Green Economy Study Namibia**

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#### **Foreword**

#### **Key Messages**

#### **Executive Summary**

#### **Introduction. Towards a Green Economy**

- BioTrade and Namibia
- Context of the Study

#### **Profile of Namibia**

- Economic profile
- Environmental profile
- Regional perspectives
- BioTrade Stakeholders

#### **BioTrade sectors in Namibia**

- Indigenous natural products (INP)
- Wildlife
- Agriculture: Indigenous Crops and vegetables (IVC) and Livestock Breeds
- Indigenous Fisheries and Marine Resources
- Forest-related and other products

#### **Findings: BioTrade within Namibia's transition to a Green Economy**

- How significant are BioTrade sectors in Namibia's economy currently?
- How relevant is BioTrade for poverty reduction?
- What are the prospects for growth of BioTrade?
- What reforms or measures are necessary for growth of Namibia's BioTrade sector?
- Through growth what's the potential contribution of BioTrade to Namibia's transition towards a greener economy?

#### **Positioning Namibia for a 'Greener' Future**

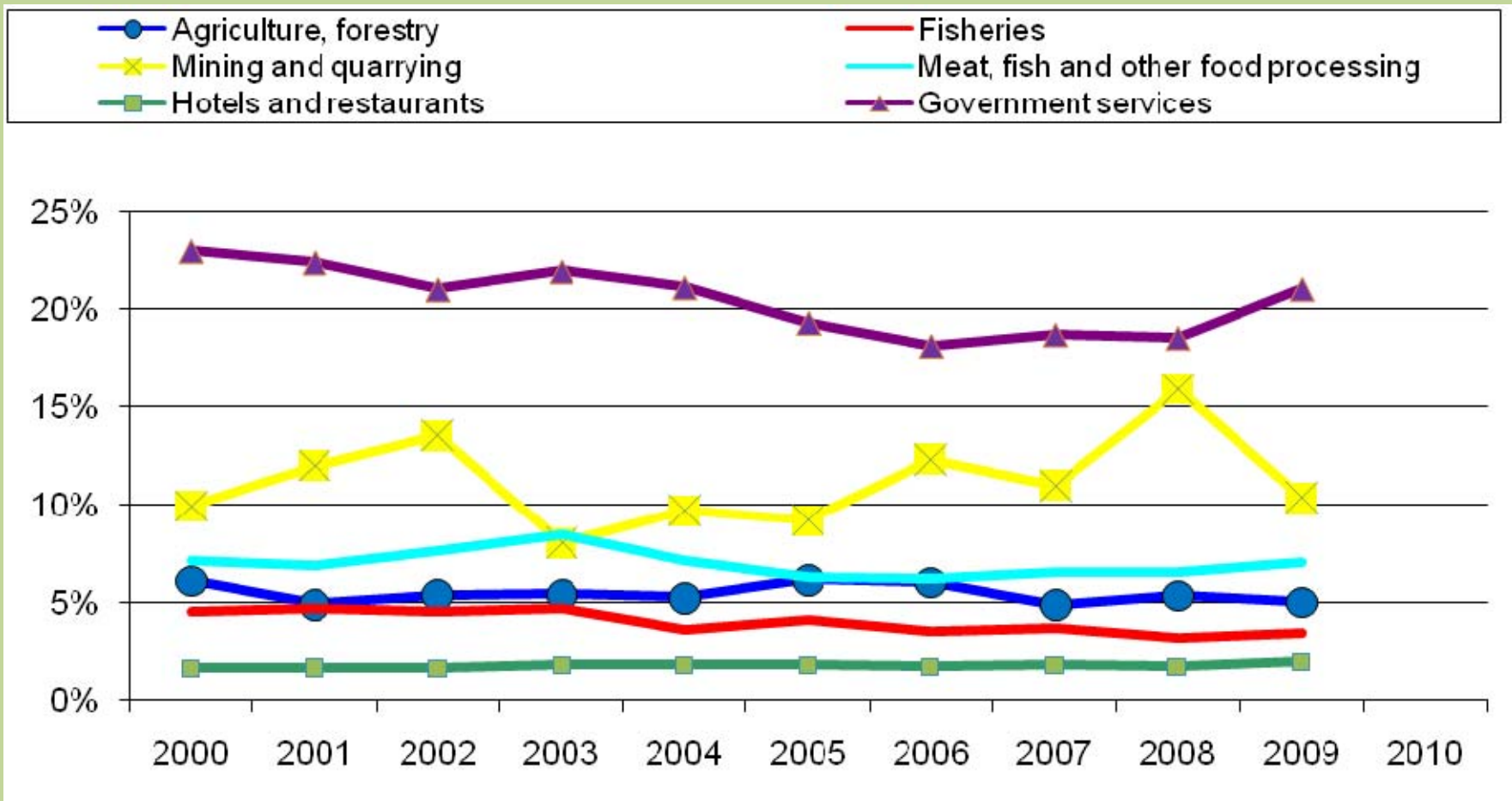
#### **References**

#### **Annexes**

# Economic Profile

Contribution of selected sectors to GDP, GDP in 2009 USD 9,260 bio. est.

Tourism sector as a whole contributes to GDP as much as mining (satellite account)



## *Environment Top Topics*

### **Water:**

- Demand vs sustainable use; valuation
- Access, infrastructure & maintenance
- Capacity support

### **Land, natural resource & ecosystem mgmt:**

- Land degradation, desertification
- Ecosystem services & natural limits of drylands
- Sustainable use and management practices
- Land reform - appropriate technology

### **Biodiversity and ecosystem services:**

- Natural variability of ecosystems
- Conservation and protection; valuation
- Parks & CBNRM; incentive measures
- Sustainable use; valuation

### **Drought, extreme events & climate change:**

- Natural variability of climate
- Preparedness & adaptation
- Early warning & response measures

### **Waste management & pollution:**

cleaner production;  
environmentally sound/sustainable industries

# Environmental Profile

## *Development Linkages*

### **Sustainable energies:**

- Fuel wood dependency & shortages; deforestation
- Energy crises: availability & access
- Research and technology development

### **Sustainable tourism:**

- Conservation
- Benefit sharing; incentives
- Infrastructure & services
- Political stability

### **Sustainable production systems:**

- Agriculture & rangelands
- Fisheries
- Forestry

### **Sustainable industries:**

- Environmental Impacts
- Opportunity costs

# Defining Namibia - Biotrade sectors

Current status – Investments - Regulations, certification and standards - National and regional policies - Barriers and opportunities

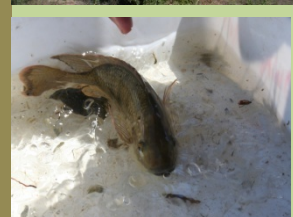
**Indigenous plant and animals** (most established Deveil's Claw, Hoodia, Kalahari Melon Seed, Marula, Commiphora – Total contribution USD 17, 7 mio.)

**Wildlife** (none consumptive wildlife viewing tourism, trophy hunting, sale of live game, sale of game meat – Total contribution USD 100 mio.)

**Agriculture** (various indigenous crops and vegetables and livestock breeds like damara sheep, swakara or Namibian karakul, information limited, contribution relatively small but often main source of livelihood)

**Indigenous Fisheries and Marine Resources** (97% for export based on hake, horse mackerel and pilchard, contribution depending on definition of biotrade)

**Forest-related and other products** (wide variety of products: wood, thatching grass, silk, Mopane worms, etc. – Total contribution USD 160 mio acc. to recent data, not available for this study)



# Findings 1: How significant are BioTrade sectors in Namibia's economy currently?

Low/moderate certainty

- BioTrade currently represents around 4.5% of contribution to GDP
- Contributions from:
  - Indigenous Natural Products (0.2%);
  - Wildlife (1.1%);
  - Agriculture: Indigenous Crops and Vegetables (1.0%) and Livestock Breeds (1.6%);
  - Indigenous Fisheries and Marine Resources (0.2%);
  - Timber, Non-Timber Forest Products and Other (0.5%)
- Investment at least USD 151 M mainly from public sector in these nascent industries.

## Findings 2: How relevant is BioTrade for poverty reduction?

Moderate certainty

- BioTrade is extremely relevant to Namibia's poverty reduction efforts
- Income from some BioTrade products can pay higher poverty reduction dividends than other forms of income notwithstanding its GDP contribution
- Benefits of BioTrade should not be overstated: Harvesters and other resource stewards may receive only a small share of the retail value.
- Furthermore, BioTrade supports an Ecosystem-based Adaptation (EbA) approach to climate resilience - sustainably managing, conserving and restoring ecosystems so that they continue to provide the services that allow people to adapt to climate change (IUCN 2010, UNEP 2010).

## Findings 3: What are the prospects for growth of BioTrade?

Moderate/high certainty

- Through a pro-BioTrade approach, biodiversity could become an even greater key asset for sustainable, pro-poor development in the country
- Actual value plus the expected value after investments in Namibia's key BioTrade sectors - BioTrade is a significant potential contributor to Namibia's transition to a Green Economy
- Considerable chance of reducing poverty mainly in rural areas but challenges:
  - Arid environment
  - Capacity development – ensuring poverty reduction impacts
  - Geographic and structural conditions
  - External factors (e.g. Trade policies)

## Findings 4: What measures are necessary for growth of Namibia's BioTrade sector?

Low/moderate certainty

Measures are identified which could serve to grow Namibia's BioTrade sectors:

- Promote and strengthen linkages with private sector and financial industries;
- Investment in green infrastructure, in particular in rural areas;
- Harmonisation of BioTrade-related policies; and support a dedicated programme of research and development.

On the whole, those reforms and measures that support BioTrade are also in support of the transition to a greener economy.

## Findings 5: What is the potential contribution of BioTrade to Namibia's transition towards a green economy?

Moderate certainty

- Estimates for growth vary strongly on a product-by-product, and sector-by-sector basis
- Potential contribution of BioTrade to Namibia's economy could increase by 50% over a period of 10 years (2010-2020) to 7% of GDP
- Moreover, the poverty reduction potential of this is considerable with the prospect to directly affect a quarter of a million people through income, and benefits derived to around one million Namibians
- It is understood that BioTrade is only one component of greening Namibia's economy but it is seen to be a significant contributor – and potentially driver of such efforts.

## **Conclusion: Positioning Namibia for a 'Greener' Future**

- Clear arguments for placing BioTrade prominently within Namibia's efforts for transition to a green economy
- BioTrade offers a fresh and additional approach to (mainly rural) sustainable development, based on a number of comparative advantages unique to Namibia: i) Arid-adapted rich biodiversity in the country, ii) extensive traditional knowledge and iii) strong position of communities in NRM systems
- Assessed potential of BioTrade => investment into a green economy can play a key role in this emerging development approach

## **Conclusion: Positioning Namibia for a 'Greener' Future (cont.)**

- BioTrade investment benefits - compared with e.g. mining sector or in offshore activities – will not be sufficiently convincing for many mainstream policy- and decision-makers
- Further investments into 'proof of concepts' and studies to clearly demonstrate contribution of BioTrade to GDP over time, as well as Vision 2030 and NDP3.
- A longer time horizon and disaggregated data sets (e.g., for crops, indigenous livestock breeds) are required.
- For major growth of Biotrade, Namibian champions and stakeholder need to develop comprehensive strategies to move BioTrade activities from niche sectors to be part of Namibia's mainstream economy

Thank you very much for  
your attention!

