



## MINISTRY OF INDUSTRIALISATION AND TRADE

REPUBLIC OF NAMIBIA



### EXPLORING WOOD CHARCOAL AS AN INDUSTRY FOR VALUE ADDITION UNDER THE GROWTH AT HOME STRATEGY

Namibia is in Phase Two of the implementation of the Growth at Home Strategy which is the theme chosen by the Ministry of Industrialisation and Trade (MIT) to reinforce the importance of accelerating economic growth, reducing income inequality, and increasing employment. Growth at Home places greater emphasis on the significance of industrialisation by strengthening national value chains and creating more efficient linkages within the economy, improvements in the ease of doing business, and ongoing engagement of collaboration between the Government and private sector.

Growth at Home further provides a road map for the execution of Namibia's Industrial Policy in the context of Vision 2030, and the National Development Plan (NDP4). It focuses on three Strategic Intervention Areas, namely Supporting value addition, upgrading, and diversification for sustained growth; Securing market access at home and abroad; and Improving the investment climate and conditions. These interventions are aimed at supporting value addition and will stimulate the development of local industries by utilizing the potential of local procurement measures and by generating synergies between local producers and large retailers. Another main focus under this strategic area will be creating conditions that will boost Namibian exports, as well as the capacity of Namibian firms to supply and export at a competitive level.

The emphasis during Phase Two of the Strategy shifted towards being a regional player, whereas Phase One (2015-2020) focus was on laying a strong foundation in sectors where Namibia already has a comparative advantage. These sectors included Agro-processing (Wood Charcoal), Fish-processing, Steel manufacturing, Automotive industry, Chemical, Metal Fabrication, Taxidermy, Swakara Wool, Cosmetics, and Jewelry and Coloured Gemstone industries.

Among the challenges identified in the Wood Charcoal Industry during the implementation of Phase One of the Strategy was that it is capital intensive for some farmers to venture in, and farmers and interested producers or investors required

**"Growth At Home"**



technical information on factors such as the standards for wood charcoal required for export, transport and lack of research and development. The need for charcoal production factories was also identified in strategic areas such as Omaheke, Otjozondjupa, and Oshikoto regions where the invader bush is predominant and thus yields high volumes of charcoal.

Additionally, the number of wood charcoal producers had increased from 350 (2014) to 1082 at the end of 2020, with export volumes of value-added wood charcoal accounting for 60,000 tonnes. Export markets at the end of 2020 for wood charcoal were South Africa, Japan, and Pakistan, and there have been efforts to access the Turkish market.

The Ministry constructed a charcoal production factory at Witvlei, and together with the University of Namibia (UNAM), the University of Finland, and the United Nations Industrial Development Organisation (UNIDO) completed the construction of the Biomass Charcoal Factory earlier this year at Otjiwarongo, Otjozondjupa Region.

The MIT mobilized regional councils and regional development committees to decentralise development programs by the MIT including its policies and strategies to ensure implementation thereof, through mentorship and business support services. This Ministry's engagement effort is therefore extended to all who are considering investing in the wood charcoal industry and equally all other growth sectors.

**Issued by the Corporate Communication Subdivision of the Ministry of  
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