

NAMIBIAN
AGRONOMIC BOARD

FRUIT VALUE CHAIN DEVELOPMENT SCHEME *Modalities*

2025-2030

01. OVERVIEW

The Namibian Horticulture Market Share Promotion (MSP) Scheme commenced in 2005 and through this scheme, horticulture traders are required to buy a minimum % of their turnover from local producers, which increased from merely 5% in 2005 to currently 47%. However, this intervention mainly resulted in an increased local production of vegetables, while fruit production remains far behind.

According to 2024/2025 statistics, vegetables makes up 66% (N\$704 million) and fruits makes up 34% (N\$367 million) of the total domestic demand. The market share for locally produced vegetables currently stands at 54% local production and 46% imports. In 2024/2025, the total demand for fruits in Namibia stood at 30,824 tons (N\$367 million), and out of this total, 30,072 tons (N\$355 million) were imported, representing 97%, while a total of 752 tons (N\$12 million) of fruits were produced locally, representing 3%.

In terms of exports, Namibia is a net exporter of fruits, mainly table grapes, dates, mango, and blueberries. During 2024/2025 a total of 66,392 tons (N\$1.8 billion) of fruits were exported, of which table grapes constitutes 84% (N\$1.3 billion). The fruits exported includes grapes (84%), dates (11%), blueberries (3%), oranges (1%), soft citrus (0.3%), grape fruits (0.04%), mango (0.01%) and star fruit (0.001%).

Given the above, there are countless opportunities for Namibian producers to increase local production of both tropical and subtropical fruits that are currently not produced locally, given our favourable climatic and soil conditions to produce these fruits, despite the high domestic demand. Though Namibia is classified as a dry

country, some production zones have plenty of ground and surface water for irrigation.

Therefore, the Fruit Value Chain Development Scheme (FVCDS) will focus on fruit value chain development in Namibia through the provision of a 30% subsidy for purchasing of high-quality certified fruit tree seedlings, fertilisers, pesticides, and fungicides, until first harvest but not later than 31 March 2030, and this scheme is limited a minimum of 1ha and maximum of 10ha. The scheme will further provide capacity building, facilitate access to finance, and market, to create an enabling environment for the production, processing, storage, and marketing of controlled fruits.

This initiative will eventually contribute to increased Market Share Promotion (MSP), as Namibia targets to achieve 60% primary MSP by 2030, and increased export from the current 40% to 60% of production by 2030, as per the NAB 5-Years Strategic Plan for 2025-2030, while contributing to socio-economic growth and creating massive permanent and temporal employment.

02. PURPOSE & OBJECTIVES

The purpose of this programme is to stimulate local production, storage, value addition and marketing of fruits in Namibia, and export.

The specific objectives of this programme are to:

1. Provide a subsidy for high-quality certified planting material (fruit tree seedlings), fertilisers, pesticides and fungicides.
2. Enhance capacity building in cultivation, value addition, cold storage, marketing of fruits, as well as strengthening phytosanitary controls measures and compliance.
3. Ensure access to affordable and patient finance for fruit value chain development.
4. Secure and diversify markets for locally produced fruits, targeting both domestic and export markets.



03. BENEFICIARIES & PRODUCTION TARGETS

- All new and existing fruit farmers from all production areas of Namibia, with land between **1ha to 10ha**, targeting a total of **100ha per year or 400ha** by the **year 2030**, proportionate to all the targeted fruits listed in section 4 of this document. The beneficiary farmers should at least have the basics items in place for commercial fruit production to take place, and this will be established through a thorough field assessment.
- For fruit farmers planting above 10ha, only the first 10ha will be subsidised for fruit tree seedlings.
- The scheme targets a maximum of **10 fruit farmers (100ha) per year**, and the subsidy will be proportionally divided amongst all the fruit production zones on a first-come first-serve basis.
- Each farmer will only benefit once from the subsidy, and thereafter, other farmers will also be given a chance. However, other services such as capacity building, access to finance and markets will still be offered to all the beneficiary and non-beneficiary up until 2030.



04. SCHEME PROVISIONS/ INTERVENTIONS

The scheme will specifically focus on developing the fruit value chain by targeting the following top 10 types of fruits with potential to be produced in Namibia, from climate and soil conditions perspective: Citrus (oranges, soft citrus, and grapefruits), Berries (blueberries and strawberries), mango, avocado, bananas, pineapple, pomegranates, pawpaw, table grapes, and dates fruits as a priority.

| Provision | Intervention Establishment Phase (Year 1) | Intervention Production Phase (Until 31 March 2030) |
|---|--|---|
| 1. Certified Fruit Trees Seedlings, Fertilisers, pesticides and fungicides | NAB will provide a 30% subsidy in year one as part of the development cost, limited to 10ha per beneficiary, depending on the number of recommended plants per hectare per fruit type. | NAB will provide a 30% subsidy on fertilisers, pesticides and fungicides until first harvest, limited to the developed hectares planted and application of fertilisers, pesticides and fungicides and agro-chemicals per hectare. |
| 2. Capacity Building | <ul style="list-style-type: none"> This will involve facilitating training and mentorship in fruit cultivation, postharvest handling, value addition and marketing/ export. Support phytosanitary control and compliance amongst fruit producers, and establishment of phytosanitary testing/ analysis facilities in Namibia. Fruit quality and safety standard/ regulations development, and compliance by fruit farmers. Support the establishment local nurseries to produce high quality certified fruit tree seedlings, by providing industry training and mentorship. These interventions are not only limited to benefit those participating in the scheme but all fruit producers in the country. | |
| 3. Facilitate access to affordable and patient capital (finance) | <ul style="list-style-type: none"> This involves facilitating access to affordable and patient finance for beneficiary fruit producers for unsubsidised portion of the development and operational costs. This intervention is not only limited to benefit those participating in the scheme but all fruit producers in the country. | |
| 4. Facilitate market access and diversification | <ul style="list-style-type: none"> NAB will facilitate access to domestic markets of locally produced fruits, through offtake agreements. NAB will also explore export market opportunities to link farmers to export markets. Enhanced inspection services for fruit quality and food safety. Development of cold storage infrastructure and facilitation of logistics for fruit export via Namibian ports. These interventions are not only limited to benefit those participating in the scheme but all fruit producers in the country. The subsidy remains valid until 31 March 2030. The production input subsidy will be granted for a maximum period of three (3) years and will not extend beyond 31 March 2030. | |

05. FRUIT TREE FIRST HARVEST TIME PERIOD

The time to first harvest periods from planting for the prioritised fruit types are presented below:

| Fruit Tree Type | First Harvest Timelines |
|--|--|
| 1. Citrus (Oranges, Soft Citrus, Grape Fruit, limes) | 3 to 5 years |
| 2. Berries (Blueberries and strawberries) | Blueberries 2 to 3 years Strawberries 60 to 90 days |
| 3. Manago | 3 to 4 years |
| 4. Avocado | 3 to 4 years |
| 5. Pawpaw | 2 to 3 years |
| 6. Pomegranate | 2 to 3 years |
| 7. Date Palm | 7 to 9 years |
| 8. Banana | 9 to 16 months |
| 9. Pineapple | 18 to 30 months |
| 10. Table Grapes | 2 to 3 years |



06. SCHEME REQUIREMENTS

- Must register or be a registered fruit farmer (producer) with the NAB.
- The applicant must be a Namibian citizen (Proof of Identification to be attached to the application).
- Proof of land ownership issued by the relevant authorities, headman, or traditional authority, and title deed/ land registration certificate.
- Must have a land allocated to fruit tree production, farmers will be requested to take soil sample after approval.
- Must be willing to sign an offtake agreement with traders in both domestic and export markets.
- Must provide proof of funds to cover for the establishment/ development and operational costs for the first year at least. Proof of funds includes: bank balance letter, loan approval letter and sponsorship/ grant letter)
- Must undertake to plant recommended commercial fruit cultivars from reputable suppliers (documentary proof of supplier required).
- Reliable source of quality water for irrigation.
- Irrigation infrastructure must be in place, or proof of acquiring the irrigation infrastructure must be provided.



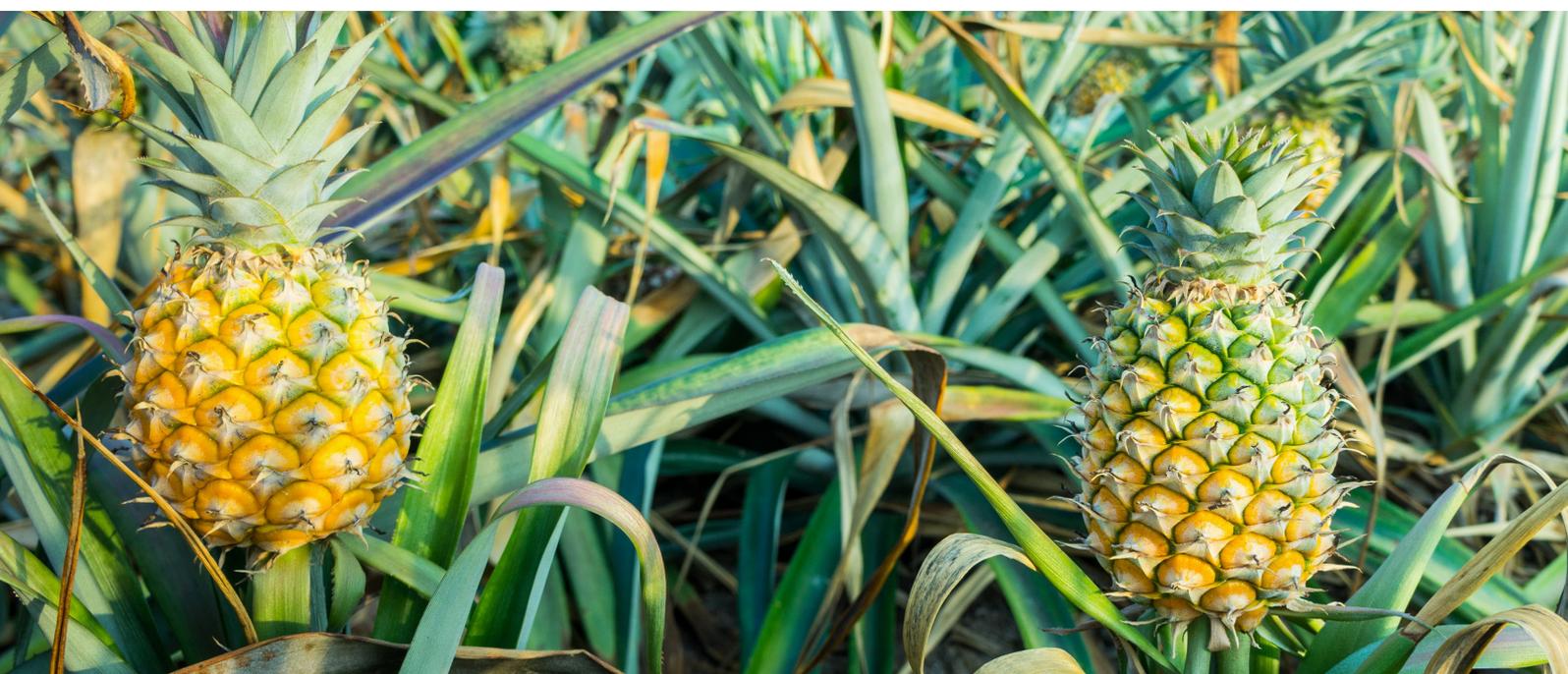
07. IMPLEMENTATION

GENERAL MODALITIES

- All interested fruit farmers will be required to apply for the subsidy and participation in the scheme by completing the application form and submit to the NAB, in person or via email.
- Its only recommended commercial fruit type that will be accepted for the subsidy and hence quotation must be sourced from reputable source. Proof that the seedlings to be purchased are from a registered/certified nursery will be required. In the case of importing the seedlings from other countries a certificate proving that the seedlings are certified must be issued by the competent authority in that country, and verification may be conducted to ensure that the seedlings are indeed of high quality and disease/ pest free by the NAB.
- The applicant must make arrangements for transportation of all inputs at own cost
- The fruit farmer is required to provide proof of funds available to cover fruit orchard establishment and operation costs for the period until first harvest at least but not later than 31 March 2030. The farmer has the option to source a loan from any financial institution of their choice or to use their own funds, as long as there is sufficient proof of funds.
- The farmer will also have an option to secure a development/ production loan from any financial institution of their choice to ensure that there is no limitation in achieving the targeted yields as per the fruit yield estimation guidelines per fruit type, cultivar and number of trees.
- The fruit farmer is also required to take samples for testing at any accredited laboratory of their choice and attach the results of the soil samples and fertiliser recommendations.
- Upon approval, the fruit farmer will be required to first pay their portion (70% of total invoice value, excluding transport) of the total value of the quotation/ invoice to the supplier of their choice and submit proof of payment to the NAB, and only then will the NAB pay the subsidy portion (30% of total invoice value, excluding transport) to the supplier directly, before the farmer collects the fruit tree seedlings, fertilisers, pesticides and fungicides. The subsidy portion will be paid based on total invoice value or a quotation.
- The agro-chemicals will only be limited to fertilisers, pesticides and fungicides, while fertilisers will include both organic and chemical fertilisers applied before planting (basal fertiliser) and after planting (top dressing fertilisers).
- The NAB will review the application and field assessment may be carried out through a standardised checklist to ensure that the farmer meets the following basic requirements: land availability, reliable source of quality water for irrigation, functional irrigation system, orchard area must be fenced and the fruit producer must be willing to farm fruits on commercial basis and enter into an offtake agreement with a trader.
- The NAB and other partners will ensure that

all participating producers are trained on best fruit trees production practices before planting, postharvest handling, value addition, storage, phytosanitary requirements, market standard, and such producer will be offered continuous training and mentorship even after the subsidy lapses up until 2030, financed by NAB.

- The implementation of this scheme will be closely monitored and assessed by NAB on a quarterly basis to ensure that the objectives are achieved. This will also involve regular field visits to the fields of the participating fruit producers.
- The subsidy for fruit tree seedlings will be granted on a once-off basis. Farmers may further benefit from a 30% subsidy on fertilisers and pesticides until first harvest until 31 March 2030.
- Other activities to be carried by the NAB will include production forecasting, trade monitoring and fruit production investment promotion and development of standards to benefit all fruit farmers in Namibia.
- The subsidy for fertilisers, pesticide and fungicide will continue until the first harvest or 31 March 2030, while for fruit tree seedlings will be a once off support during the establishment phase.



08. PARTNERSHIP WITH OTHER ORGANISATIONS

In order to ensure the successful implementation of the programme and better coordination, the NAB will partner with the following organisations:

| Organisation | Nature of partnership |
|--|--|
| Agribank of Namibia and Other financiers | Provision of finance for establishment and production costs. |
| Namibia Agricultural Input Suppliers Association (NAISA) | Supply of fruit tree seedlings |
| Namibia Grape Growers Association, Citrus Growers Association of Namibia, ZAMAFA, Fruit Trees Seedling Suppliers, and Ministry of Agriculture, Fisheries, Water and Land Reform (MAFWLR), Ministry of Environmental (Forestry Department), NAMPORT, NSI and others | Training and mentorship of producers on sustainable commercial fruit production practices, postharvest, value addition, standards, phytosanitary control measures and compliance, markets and logistics. |
| Namibian Association of Traders in Fresh Produce (NATFP) and Agro-Marketing and Trade Agency (AMTA), Ministry of Agriculture, Fisheries, Water and Land Reform (MAFWLR), Ministry of International Relations and Trade (MIRT), Namibia Investment Promotion and Development Board (NIPDB), Ministry of Trade, Namibia Trade Forum, Namibian Beekeeping Assosiation | Provision of secured markets through offtake agreements, as well as training of market requirements, quality and food safety standards, and value addition. |



09. FINANCIAL IMPLICATION

The implementation of this scheme is estimated to cost around N\$13 million per annum, or N\$52 million in four (4) years. This cost includes the 30% subsidy for certified fruit tree seedlings, fertilisers, pesticide and fungicide based on the total invoice value or quotation, as well as the cost for capacity building support including VAT and 10% administrative cost to be used by the NAB to implement the scheme.

The capacity building, facilitation of access to low interest rate finance and market access interventions are applicable to all fruit producers in Namibia.

| Provisions | Est. Average Cost/ Ha N\$ 1,000 Plants Ave. | Est. 30% Subsidy Per Ha N\$ | 30% Subsidy For Max. 10ha N\$ | 30% Subsidy On 10 Farmers (100ha) Per Year |
|--|--|--------------------------------|----------------------------------|---|
| 1. Certified Fruit Tree Seedlings (Once off) | 250,000 | 75,000 | 750,000 | 7,500,000 |
| 2. Fertilisers | 25,000 | 7,500 | 75,000 | 1,500,000 |
| 3. Pesticides and Fungicides | 15,000 | 4,500 | 45,000 | 900,000 |
| A. Subtotal Cost | 1,500,000 | 300,000 | 3,000,000 | 9,900,000 |
| 4. Capacity Building | | | | 2,000,000 |
| C. Total Cost (A+4) | | | | 11,900,000 |
| Administration Cost at 10% (facilitation services) | | | | 1,190,000 |
| GRAND TOTAL PER YEAR | | | | 13,090,000 |
| TOTAL COST IN 5-YEARS | | | | 52,360,000 |





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