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The impact of trade policies on SMEs in Windhoek, Namibia: challenges and opportunities

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ABSTRACT

This study explores the impact of trade policies on small and medium-sized enterprises (SMEs) in Windhoek, Namibia. Despite SMEs' critical role in Namibia's economy, contributing significantly to employment and GDP, their high failure rates remain problematic. Through a qualitative case study approach involving interviews with SME owners and key stakeholders, this research identifies specific challenges SMEs face due to trade-related procedures, tariffs, import competition, and limited influence on policy formulation. However, significant opportunities such as regional market access through SACU and SADC trade agreements and government-backed export support initiatives also emerged. The findings highlight that SMEs can thrive under appropriate policy frameworks but require tailored interventions, including simplified trade processes, enhanced information access, and strategic governmental support. This research contributes to policy development aimed at empowering SMEs to capitalise on trade opportunities, ensuring their sustainability and competitiveness in regional and global markets.

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SMEs; trade policies; import tariffs; market access; regional integration; government support

1. Introduction

Small and medium-sized enterprises (SMEs) play a crucial role in Namibia's economy, significantly contributing to employment generation and the national Gross Domestic Product (GDP) (April, 2005; Baporikar et al., 2016). For instance, as of 2012, SMEs contributed more than 13% to Namibia's GDP, highlighting their importance in fostering economic growth and job creation (Ogbokor & Ngeendepi, 2012). However, despite their substantial economic contributions, SMEs in Namibia experience notably high failure rates, with approximately 75% to 85% failing within their initial years of operation due to diverse operational challenges (April, 2005; Thomas, 2022).

Previous research has extensively documented general challenges SMEs face, such as limited access to financing, inadequate skills, burdensome taxation, and poor infrastructure (Alabi et al., 2019; Murangi, 2022). Nevertheless, a significant gap remains

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concerning how specific trade policies, including import tariffs, export regulations, and trade agreements, distinctly influence the operations and growth of SMEs within the Namibian context. This oversight is particularly significant given Namibia's heavily trade-dependent economy and Windhoek's central role as a commercial and economic hub, hosting numerous SMEs engaged in or influenced by cross-border trade activities (Nautwima & Asa, 2021).

To address this critical gap, this study explores the specific impacts of trade policies on SMEs operating in Windhoek, examining both the challenges and opportunities arising from Namibia's existing trade policy framework. The objectives of the study are to:

- Assess how current trade policies affect SME performance.
- Identify specific challenges SMEs encounter due to trade-related regulations.
- Uncover opportunities available to SMEs through existing trade frameworks, such as regional trade agreements and targeted government support initiatives.

Several clearly defined questions are guiding this research aimed at addressing the gaps identified in prior literature. These include evaluating the direct impacts of Namibia's trade policies on SME operations and growth, identifying unique policy-related challenges beyond general business constraints, and exploring how SMEs are capitalising on opportunities presented by trade policies. Addressing these research questions through detailed analysis and qualitative inquiry will yield insights, aiding policymakers and SME-support institutions in refining trade policies to enhance SME sustainability and competitiveness within Namibia's broader economic objectives.

The remainder of this article is structured as follows: Section 2 discusses SMEs in Windhoek, highlighting their economic significance, characteristics, and the particular challenges and opportunities they encounter. Section 3 reviews empirical literature on SMEs and trade policies, providing a clear foundation for understanding their interactions within the Namibian context. Section 4 outlines the qualitative research methodology, detailing the data collection and analysis procedures. Section 5 presents the findings, emphasising the key challenges and opportunities SMEs face due to Namibia's trade policies. Section 6 provides a discussion interpreting these findings within broader scholarly discourse, and practical recommendations are presented in Section 7 for policymakers and SME stakeholders to enhance Namibia's trade policy framework, fostering a more conducive environment for SME growth.

2. SMEs in Windhoek

Small and medium-sized enterprises (SMEs) are central to Windhoek's economy, significantly contributing to employment, innovation, and economic growth. As Namibia's primary commercial centre, Windhoek hosts diverse SMEs in manufacturing, retail, agribusiness, and service sectors (Ogbokor & Ngeendepi, 2012; Murangi, 2022). Despite their economic importance, these enterprises frequently experience high failure rates due to persistent infrastructural, financial, and regulatory challenges.

Infrastructure issues significantly impede SME operations. Limited access to affordable and reliable business premises, inconsistent electricity supply, and poor transport networks inflates operational costs and reduce SMEs' competitiveness, particularly

compared to larger firms (Charamba & Ladzani, 2021; Kamotho & Kaudo, 2023). Such conditions severely limit SMEs' capacity for sustainable growth and expansion.

Financial constraints further restrict SME potential. Despite growing recognition from financial institutions, SMEs struggle to secure loans due to stringent requirements, high interest rates, and limited collateral, forcing reliance on personal savings or informal lenders (Alabi et al., 2019; Aitana & Sivotwa, 2024). This limits their investments in critical areas such as technology, market expansion, and operational enhancements.

Regulatory complexities pose additional barriers, particularly trade-related compliance involving customs documentation, licensing, and taxation. SMEs frequently lack adequate resources or administrative expertise, amplifying operational burdens and restricting responsiveness to market opportunities (Dhliwayo et al., 2023; Kamotho & Kaudo, 2023).

Nevertheless, Windhoek's strategic geographic location offers significant opportunities. Regional trade agreements like SACU and SADC facilitate broader market access, allowing SMEs to expand beyond local markets (Kalambi, 2022; Kamotho & Kaudo, 2023). Government-supported initiatives such as the 'Growth at Home' policy further enhance SME competitiveness through local sourcing promotion, technology adoption incentives, and support for international trade participation (Ministry of Industrialization, Trade and SME Development, 2020; Murangi, 2022).

Networking and collaboration also strengthen SME positions in Windhoek. Industry associations, business forums, and strategic alliances enable SMEs to collectively influence policy, share resources, and enhance market visibility (Baporikar, 2021; Charamba & Ladzani, 2021). Given SMEs' critical economic contributions – approximately 12.4% of Namibia's GDP and 60% employment (Iiyambo, 2023) – addressing these barriers and leveraging opportunities is crucial for sustained growth and economic resilience.

3. Literature review

Globally, SMEs constitute the majority of businesses yet contribute significantly less to international trade, representing under one-third of export value despite comprising over 95% of firms in developed economies (ECIPE, 2018). This disparity primarily stems from limited resources, complex regulations, and intense competition from larger corporations (Organisation for Economic Co-operation and Development [OECD], 2019). Historically, trade policies often favour larger firms, overlooking SME-specific challenges such as compliance costs and stringent international standards, creating substantial barriers for SME participation in global markets (WTO, 2016; ITC, 2018).

Namibia recognises SMEs as essential drivers of economic development and has attempted to support their growth through targeted trade policies and regional integration initiatives. Participation in frameworks such as SACU and SADC have expanded market opportunities for SMEs while simultaneously intensifying competitive pressures from imports (Kamotho & Kaudo, 2023). Local trade measures, including import restrictions and permit requirements aimed at protecting sectors such as agriculture, inadvertently create administrative burdens for SMEs lacking sufficient resources to manage complex regulatory demands (World Bank, 2021).

Initiatives like Namibia's 'Growth at Home' policy and local sourcing regulations seek to enhance SME participation in domestic markets by restricting imports (Ministry of Industrialization, Trade and SME Development, 2020). Although beneficial, these policies can increase operational complexities, emphasising the need for a balanced approach between protective measures and market openness. Existing literature on SMEs in Namibia extensively addresses general issues such as finance, skills shortages, and high operational costs but lacks a focused analysis on trade-specific impacts, representing a notable research gap (Ogbokor & Ngeendepi, 2012; Shipulwa, 2016; Mukata et al., 2018).

This study explicitly explores how trade policies uniquely affect SMEs in Windhoek, identifying distinct challenges and opportunities. By addressing the gaps highlighted in prior research, this analysis contributes critical insights to policy formulation aimed at enhancing SME competitiveness within Namibia's integrated trade environment (Murangi, 2022).

4. Methodology

This study adopted a qualitative research design to provide comprehensive insights into how trade policies influence small and medium-sized enterprises (SMEs) in Windhoek, Namibia. A qualitative approach was deemed appropriate due to its effectiveness in capturing nuanced, context-specific experiences and perceptions (Creswell et al., 2006; Mohajan, 2018) of SMEs regarding trade policy impacts. A case study method was utilised, concentrating specifically on SMEs operating in Windhoek. This allowed for an in-depth exploration of the interactions between trade policies and SME performance within Namibia's economic and commercial hub.

Data were collected primarily through semi-structured interviews with SME owners and managers, alongside key informant interviews from a local SME support organisation and a trade policy office. A purposive sampling technique guided participant selection, ensuring individuals had relevant experience and knowledge pertinent to the research objectives (Basias & Pollalis, 2018). The final sample comprised 15 SMEs from various sectors: manufacturing, retail (import/export), agribusiness, and services. Participants were carefully chosen based on specific criteria, ensuring they were located in Windhoek, met Namibia's official SME definition (independently owned and employing no more than 50 people), operated in sectors directly influenced by trade policies, and had at least two years of continuous operation to provide meaningful insights.

The interview protocol included open-ended questions addressing participants' awareness of trade policies, perceived impacts on their business operations, encountered obstacles, and opportunities or support explicitly linked to trade policy frameworks. Interviews were conducted in person at participants' business premises or via video calls, lasting approximately 45–60 min each. All interviews were audio-recorded with participants' consent and subsequently transcribed verbatim for analysis. Additionally, secondary data comprising government reports, trade policy documents, and existing literature were reviewed to complement primary data and enhance the validity of findings through triangulation (Cresswell and Creswell, 2003).

Data analysis was performed using thematic analysis, facilitated by NVivo software, enabling systematic coding and identifying recurring themes and patterns within the data (Forman et al., 2008). Key emergent themes were regulatory compliance challenges, cost implications of tariffs, market access opportunities, and policy support mechanisms, aligning

with the study's research objectives and questions. Ethical considerations were meticulously observed throughout the research, with informed consent obtained from each participant after thoroughly explaining the study's objectives, potential risks, and benefits. The researcher cultivated rapport with participants through ongoing interactions via social and business networks, promoting trust and openness in the discussions (Eisner, 1997).

Methodological rigour was ensured through rigorous thematic analysis, and adherence to ethical research standards (Creswell & Creswell, 2003). The deliberate and transparent sampling criteria enhanced the study's credibility, clearly justifying the selection of SMEs capable of providing rich, detailed, and relevant information about the impacts of trade policies in Windhoek.

5. Results

The experiences of SME owners and managers in Windhoek highlight both the challenges and opportunities created by trade policies. These policies significantly impact SME management, operational efficiency, and growth potential. Three key themes emerged: complex import/export procedures, tariffs and associated costs, and market access opportunities. Despite challenges related to regulatory compliance and foreign competition, SMEs have identified notable benefits such as regional market access and government support.

5.1. Challenges faced by SMEs due to trade policies

5.1.1. Complex import/export procedures

Participants frequently emphasised difficulties navigating bureaucratic import/export procedures. Participant A, owner of a small food processing company, elaborated,

Obtaining permits from the Agronomic Board to import essential grains like maize causes extensive delays, significantly disrupting procurement timelines and making it very challenging for us to maintain consistent production schedules. The cumulative effect of these administrative delays hampers our operational efficiency and substantially raises our inventory holding costs, impacting overall business profitability and our competitive advantage in the market.

Participant B, an exporter of leather products, explained further,

Dealing with customs documentation for regional exports is excessively complicated, highly intricate, and incredibly time-consuming. Given our limited administrative resources, we often find ourselves overwhelmed by the sheer volume of required paperwork and documentation procedures. This frequently leads to mistakes, additional costs, and shipping delays, undermining customer satisfaction and our business reputation.

These responses illustrate how SMEs struggle with regulatory complexities inherent in international trade.

5.1.2. Tariffs and costs of imports

Tariffs and import duties pose significant financial challenges for SMEs reliant on imported materials. Participant D, a boutique owner importing clothing from outside SADC, detailed,

The common external tariffs significantly increase my inventory acquisition costs, considerably narrowing profit margins and making it extremely challenging to price products competitively. This often forces me to either absorb the additional costs, reducing profitability or pass them onto consumers, potentially losing business to larger competitors who benefit from economies of scale.

Similarly, Participant C, a solar water heater manufacturer, expanded,

While regional trade within SACU is tariff-free, importing specialised components from overseas markets incurs substantial duties and VAT charges, greatly inflating our overall production costs. This directly reduces our competitiveness and restricts our ability to invest in product improvements and expand into new markets.

These responses underscore the intense financial pressures SMEs experience due to tariff structures not tailored to their operational scale.

5.1.3. Foreign competition and market access barriers

Foreign competition due to liberal trade policies is a significant barrier. Participant E, a local furniture manufacturer, expanded their concerns, stating,

Imported furniture, predominantly cheaper and produced at large scales from countries such as South Africa and Asia, heavily dominates our local market. This situation severely limits our ability to compete effectively, forcing us to reduce our prices significantly, cutting deeply into our margins, or compelling us to differentiate through quality and customisation, which often involves higher costs and resource demands.

Participant F, who attempted exporting honey to the European Union, elaborated on their difficulties,

The highly intricate certification processes and rigorous sanitary standards required by EU regulations were completely overwhelming given our limited financial and administrative resources. Despite the market's attractiveness, we found these barriers insurmountable, effectively shutting us out from potentially lucrative international opportunities, thereby significantly limiting our business growth prospects.

Such challenges emphasise SMEs' distinct and profound obstacles under international trade policies.

5.1.4. Limited influence and information

Many SMEs expressed frustration over their limited influence and lack of information regarding trade policy. Participant H, a craft brewer, stated,

We are rarely consulted during trade policy negotiations and typically only become aware of significant changes when these directly impact us negatively, such as unexpected tariffs imposed on imported hops and equipment. This reactive rather than proactive stance severely restricts our strategic planning capabilities and often forces us into costly, last-minute adjustments.

Participant G similarly expanded,

I had no prior knowledge about the African Continental Free Trade Area strategy until I unexpectedly encountered it through informal business networks much later. This significantly hampered my capacity to proactively plan for potential market opportunities or

mitigate potential risks, placing my business at a substantial competitive disadvantage compared to better-informed competitors.

These responses reflect a critical gap in SME engagement and awareness in policy formulation processes.

5.2. Opportunities created by trade policies for SMEs

5.2.1. Access to regional markets

Regional trade agreements such as SACU and SADC have facilitated broader market access. Participant K, owner of an organic cosmetics business, detailed their positive experience,

The SADC Free Trade Area significantly facilitated the export of my products duty-free to South Africa, substantially enhancing my competitive pricing capabilities and enabling a considerable expansion of my customer base beyond Namibia. This has dramatically increased our revenue streams and market visibility.

Participant J, a traditional leather shoe producer, expanded similarly,

Exporting products to Botswana became substantially simpler and more profitable under SACU's common customs arrangement, dramatically broadening our market opportunities and significantly boosting our business revenue and growth potential.

5.2.2. Importing inputs and technology

SMEs have leveraged trade liberalisation to import advanced technology and quality inputs. Participant I, a manufacturing SME, expanded on the benefits,

Accessing specialised European machinery, despite existing tariffs, has markedly elevated our production quality and substantially enhanced our ability to comply with international product standards. This technological upgrade has significantly improved our overall local and international competitiveness.

Participant L, a craft brewery owner, also anticipated positive changes, elaborating,

The anticipated reduction in tariffs under the EU – SADC Economic Partnership Agreement could considerably decrease costs for importing critical brewing inputs such as hops, significantly enhancing our profitability, reducing product pricing, and making us more competitive within the regional beverage market.

5.2.3. Government support Programs

Linked to Trade Policy Government-backed trade initiatives have provided critical support for SMEs aiming to export. Participant M, owner of a fashion accessories business, detailed their positive experience,

Participation in trade expos in Angola, fully sponsored by Namibia's Ministry of Industrialization and Trade, substantially expanded my business network, facilitating numerous new client relationships and significantly enhancing my market visibility and credibility within the regional industry.

Participant N further expanded on their experience,

Export readiness workshops and dedicated government programs significantly eased our entry into regional markets by comprehensively preparing us to meet international standards, manage logistics, and understand foreign market dynamics, which significantly reduced risks and increased our confidence to pursue exporting opportunities.

These insights confirm that while SMEs face unique trade-policy-related challenges, they also encounter valuable opportunities which, if effectively leveraged, can significantly enhance their growth and sustainability.

6. Discussion

The findings from this study highlight a complex dynamic where trade policies significantly influence SMEs in Windhoek by introducing both challenges and opportunities, echoing the global understanding that while trade liberalisation creates new avenues for business growth, these advantages often disproportionately favour larger businesses (ECIPE, 2018; Kamotho & Kaudo, 2023). SMEs in Windhoek experience both direct and indirect impacts from Namibia's trade policies, such as import duties, compliance requirements, and exposure to regional and international competition.

Trade-related challenges identified in this study include bureaucratic complexities surrounding import/export procedures, elevated operational costs due to tariffs, competitive pressures from imported products, and limited access to policy information. These findings align with global research that has established regulatory compliance and tariff burdens as major impediments for SMEs engaging in cross-border trade (ECIPE, 2018; Dhliwayo et al., 2023). For instance, compliance with stringent regulations was notably problematic for SMEs lacking dedicated administrative resources, echoing earlier studies that emphasise the disproportionate administrative burdens faced by smaller businesses (Ogbokor & Ngeendepi, 2012). Furthermore, the absence of SME involvement in policy formulation emerged as a critical concern, confirming that SMEs remain primarily excluded from trade policy dialogue, leading to information asymmetries and reactive rather than proactive business strategies (ECIPE, 2018).

Additionally, SMEs reported heightened vulnerability to foreign competition due to liberalised trade. Notably, SMEs involved in manufacturing and retail experienced increased competitive pressures from imported goods, often undermining their market position. Such observations align with findings from similar developing economies where rapid trade liberalisation significantly impacted local SMEs unable to scale or differentiate their products adequately (Chin & Lim, 2018; Kamotho & Kaudo, 2023).

Nevertheless, the research identified clear opportunities provided by trade policies. Access to regional markets through trade agreements such as SACU and SADC represented significant opportunities, especially critical given Namibia's limited domestic market size. SMEs successfully leveraged these agreements, illustrating the importance of market access and reduced tariff barriers in fostering SME growth. These findings align with global trade literature advocating for regional integration as a strategic tool for enhancing SME competitiveness (Lee & Gereffi, 2015).

Government support emerged as pivotal in enabling SMEs to capitalise on trade-related opportunities. Initiatives such as export readiness workshops, trade expos, and promotional activities provided by Namibia's Ministry of Industrialization and Trade significantly supported SMEs in entering and expanding within regional markets

(Ministry of Industrialization, Trade and SME Development, 2020). These forms of support underscore how targeted governmental interventions can amplify the positive impacts of trade policies for SMEs.

Additionally, the study identified protective trade measures, such as import substitution policies, as beneficial for local SMEs by ensuring market access and shielding them from intense external competition. Similar protective strategies have been observed in other regional contexts as crucial to sustaining SMEs in highly competitive global environments (Kalenga & Kirk, 2020).

This study confirms and expands upon existing literature by demonstrating how trade policies create distinctive challenges and opportunities for SMEs. While traditional challenges such as limited finance and inadequate skills persist (Ogbokor & Ngeendepi, 2012; Murangi, 2022), the unique trade-related obstacles identified – regulatory complexity, tariff structures, and limited policy influence – require distinct policy interventions. Conversely, SMEs that successfully navigated trade opportunities underscore the critical role of supportive frameworks, including government-backed market access programs and protective policies tailored to SME needs.

7. Recommendations and conclusion

Based on the study's findings and the above discussion, several recommendations are proposed to stakeholders (policymakers, support organisations, and SMEs themselves) to help SMEs better navigate trade policy challenges and seize opportunities. The recommendations are structured to address the identified issues and leverage the positives.

7.1. Recommendations

7.1.1. Streamline and simplify trade procedures for SMEs

The government should aim to reduce the bureaucratic burden of compliance for small businesses. This could involve creating simplified customs clearance processes or 'green lanes' for verified small traders and developing SME-friendly guides for import/export regulations. Digitising and centralising trade permit applications would save SMEs time and resources. For example, an online one-stop system for all required licenses and permits (with clear instructions) would help SMEs like those in our study who struggled with paperwork. Capacity-building is also key: customs officials and trade regulators could hold clinics or helpdesks to assist SMEs in correctly filling forms and understanding requirements. By making regulatory compliance less daunting, SMEs will be more inclined to engage in cross-border trade rather than shy away.

7.1.2. Enhance access to information and training

Bridging the information gap is critical. Namibia's trade authorities and business chambers should proactively disseminate information on trade policies, agreements, and opportunities to SMEs. Workshops and seminars can educate SME owners about relevant trade agreements (SADC, AfCFTA, etc.), rules of origin, export standards, and available government support programs. Successful SME exporters from Windhoek could be invited to share experiences and tips (a form of peer learning). Creating a dedicated SME Trade Portal could be beneficial – a website or mobile app where small

business owners can get updated info on tariffs, required certifications by product, market intelligence, and step-by-step guides for exporting or importing. Knowledge is power: as seen in this study, SMEs who were aware of trade opportunities leveraged them, whereas a lack of awareness held others back. Therefore, investing in SME-focused trade education will enable more businesses to utilise policy benefits.

7.1.3. Strengthen SME support programs for trade

The Ministry of Industrialization and Trade and organisations like the Namibia Chamber of Commerce and Industry (NCCI) and SME support NGOs should continue and expand targeted programs that help SMEs export and compete. This includes subsidies or financial assistance for SMEs to attend international trade fairs and cost-sharing for certification processes (e.g. covering part of the cost for a small food producer to get export-quality certifications). Mentorship programs could pair SMEs with experienced exporters or trade experts to guide them through foreign market entry. Additionally, establishing incubation or innovation hubs focused on export-oriented SMEs in Windhoek can create a pipeline of globally competitive small businesses. Given some SMEs' success with ministry-backed expos, scaling up such initiatives will directly address the opportunity side of trade policies, helping more SMEs expand into regional markets.

7.1.4. Calibrate trade policy to protect and empower SMEs

Policymakers should consider the unique position of SMEs when formulating trade policies. While broad openness is beneficial, there may be cases for calibrated protection or support for vulnerable SME sectors. For instance, if cheap imports devastate a local manufacturing niche dominated by SMEs, the government could look at temporary safeguard measures or encourage retailers to stock local SME products (possibly via incentives or public procurement preferences). The existing local sourcing requirements in agriculture show one way to balance trade and local SME interests. Similarly, as Namibia implements broader agreements like AfCFTA, it should actively negotiate and utilise provisions that allow flexibility for least-developed industries and SME support. Wherever possible, include SME representation in trade policy dialogues – perhaps through an SME advisory panel to the Ministry during trade negotiations – so that the SME perspective is considered. The end goal is a trade policy framework that is not blindly one-size-fits-all but rather one that ensures SMEs can coexist and grow alongside larger trading firms.

7.1.5. SME strategies and networking

While many recommendations are for governments and institutions, SMEs can take steps. Owners should be proactive in building networks and seeking information. Joining industry associations or forums can amplify their collective voice to influence trade policy. SMEs can also adopt strategies such as specialisation (focusing on niche products with less competition) or collaboration (forming cooperatives or clusters to achieve scale for exporting). As suggested by experts, engaging in market research and 'looking, seeing, and discovering' foreign markets beforehand can significantly improve an SME's chance of success abroad. SMEs should leverage any available support (training, funding, networks) and adapt strategically to the trade environment rather than operating in isolation.

Implementing these recommendations would require coordinated efforts but promises to alleviate SMEs' difficulties and amplify the benefits they can gain from trade policies. By simplifying procedures, informing and training entrepreneurs, supporting them financially and strategically, and tailoring policy to their needs, Namibia can turn trade policy into a true driver of SME growth. This holistic approach addresses both sides of the equation – making challenges surmountable and opportunities attainable.

7.2. Concluding remarks

This study examined the impact of trade policies on SMEs in Windhoek, Namibia, shedding light on the challenges encountered and opportunities available. Through a qualitative exploration of SME experiences, the research found that trade policies are a significant factor in SME success or struggle. On the one hand, burdensome procedures, compliance costs, and stiff competition under current trade rules pose considerable challenges specifically for SMEs. On the other hand, those same policies open doors to larger markets and provide avenues for growth, especially when coupled with supportive measures. In essence, trade policies act as a double-edged sword for SMEs – the outcome depends on how well SMEs can navigate the edge.

By addressing a gap in the literature, this study contributes a nuanced understanding of SME realities in a trade-dependent economy like Namibia's. It highlights that SMEs require targeted support to level the playing field in international trade. The findings underscore the importance of designing trade policies and accompanying programs with the SME perspective in mind, ensuring that small businesses are not left behind in the pursuit of global integration.

The study's insights call for a balance between openness and support for policymakers and development practitioners. As Namibia engages in regional and continental trade initiatives, implementing the recommendations – simplifying trade processes, disseminating information, bolstering SME capabilities, and including SMEs in policy dialogues – will be crucial to harness trade for inclusive growth. Windhoek's SMEs have the potential to innovate, create jobs, and contribute substantially to economic development if given a fair chance in the global market.

7.3. Future research

While this study provided valuable exploratory findings, it also points to areas where further research is warranted. One avenue is a quantitative impact assessment of specific trade policies on SME performance (e.g. measuring how a tariff change affects SME profit margins or survival rates). Such data could strengthen the case for evidence-based policy adjustments. Another area is comparative research – comparing SMEs in Windhoek with those in other Namibian regions or similar cities in neighbouring countries. This could reveal whether the challenges and opportunities identified are unique to Windhoek or part of a broader pattern in Southern Africa. Additionally, future studies could explore the role of informal SMEs and trade, as many small businesses operate informally and may face different or additional hurdles in benefiting from trade policies. Finally, as Namibia and other African countries roll out the AfCFTA,

longitudinal research following SME outcomes before and after the implementation of new trade regimes would be highly insightful.

Overall, creating an SME-friendly trade environment is not a simple task – it requires continuous learning and adaptation. This study recommends that stakeholders maintain an open dialogue: SMEs should communicate their needs and challenges, and policy-makers should remain responsive and flexible. By doing so, trade policies can be harnessed as a tool for development that empowers even the smallest of enterprises. The challenges are significant but not insurmountable, and the opportunities are promising. With informed policy and active support, Windhoek's SMEs can overcome trade-related obstacles and fully participate in the opportunities of regional and global markets, driving Namibia's vision for inclusive economic growth.

Disclosure statement

No potential conflict of interest was reported by the author(s).

Data availability statement

The data supporting the findings of this study are available from the author upon request. Due to privacy concerns, some data, such as personally identifiable information and confidential financial documents, cannot be shared. Anonymised data may be available to researchers who agree to uphold confidentiality standards.

Informed consent statement

Written informed consent for participation was secured from all participants.

Consent to publish statement

Written consent to publish identifying details of participants was obtained, with all efforts made to ensure anonymity.

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