



PHYTOTRADE NEWS UPDATE NUMBER 11 OCTOBER 2004

Welcome to PhytoTrade news update number 11. In this issue we cover: new members, resolutions from the 2004 AGM, a special guest editorial from the Kew Gardens PROTA initiative, literature list updates and the latest staff news...

NEW MEMBERS

The following new members have been approved:

- ◆ Tuhafeni Natural Resources (Namibia)
patrick.hilger@telewalfer.lu contact Patrick Hilger
- ◆ Eudafano Women's Cooperative (Namibia) criaawhk@iafrica.com.na contact Frieda Haufiku care of CRIAA
- ◆ Lusinde Investments Limited (Zambia)
lusinde@zamtel.zm contact Charles Wamulwange
- ◆ Beresford Trading (Pvt) Ltd (Zimbabwe)
wenz@mweb.co.zw contact Wendy Beresford
- ◆ Herbal Solutions (Zimbabwe)
herbs@mweb.co.zw contact Helen Charteris
- ◆ Kabulima Organic Group (Zambia)
kabulima@zamtel.zm contact Trevor Watson
- ◆ Oontanga Oil Producers (Namibia)
salmi@iway.na contact Salmi Kaulinge
- ◆ Swazi Indigenous Products (Swaziland)
marulaplus@swazi.net contact John Pearce

COSMETIC FORMULATION COURSE

On 15th, 16th and 17th November 2004 in view of the keen responses from members to our email on the subject, PhytoTrade will be holding a Cosmetic Formulation course with leading South African cosmetic formulist, Aubrey Parsons. Parsons has developed a range of cosmetic products from marula oil for PhytoTrade member, KYT. Parsons will also be giving a guest seminar open to the general public at the Royal Harare Golf Club on 15th November 2004 at 5.30pm. Tickets are available from the PhytoTrade office.



GUEST EDITORIAL

PHYTOTRADE AFRICA LINKS WITH THE PROTA PROGRAMME



by Olwen Grace, PROTA UK Country Officer

PhytoTrade Africa recently established links with PROTA (Plant Resources of Tropical Africa), a programme co-ordinated by the University of Wageningen. The PROTA-UK office is hosted by the Royal Botanic Gardens at Kew in the UK. With the first volume in a 16-part PROTA handbook series about to be released, the connection was well timed.

Through its institutional networks in Europe and Africa, PROTA is working hard to establish a major reference point documenting tropical Africa's useful plants. Africa boasts one of the largest floras of the world's continents; in tropical Africa, over 7 000 plant species are used by people. Because so many livelihoods depend on plants, careful management is crucial to safeguard them for future generations. PROTA's broad vision for rural development, through informed resource management and biodiversity conservation, coincides in some ways with PhytoTrade's objective to uplift rural livelihoods through sustainable use of natural resources.

INFORMATION PRODUCTS FOR THE FUTURE

PROTA information products are designed to be readily accessible to the people who manage plant resources and help plant users in Africa. They include workers in sectors like rural development, policy making, education and academic research, and international associations such as PhytoTrade. By producing

information tools, PROTA can help its target users, in turn, to empower plant-users in specific local conditions: farmers, forest-dependent communities, cottage industry communities, and of course many women. Since plants species known in tropical Africa sometimes occur in northern and subtropical Africa too, the benefits of PROTA extend to the whole continent.

Over a ten-year period, the PROTA programme will result in a collection of over 7 000 comprehensive review articles - one for each plant species used in tropical Africa - divided into groups according to their use. PROTA review articles cover a range of topics, from local plant names to chromosome numbers, and summarise the properties that make each species valuable to people. Like PhytoTrade, PROTA tracks down obscure published literature, as well as significant scientific and popular press, to compile species review articles. They are packaged in three product forms: an illustrated database of review articles available on the Internet (www.prota.org), and volumes of the PROTA handbook in print and on CD.

FROM OUTPUT TO IMPACT

Species review articles are not the only way in which PROTA distributes information. Special products, prepared in consultation with users, are published to accompany each volume of the handbook series. The first of these - *Vegetables* - is about to be launched. Species of interest to PhytoTrade members will be appearing in upcoming volumes on *Medicinal Plants* and *Dyes & Tannins*, among those scheduled for publication in 2005.

How could PROTA be of use to you? To find out more, PhytoTrade members should contact Olwen Grace at the PROTA - UK office (o.grace@kew.org) or visit the PROTA webpage (www.prota.org).

RESOLUTIONS FROM THE AGM

This year's AGM was successfully completed in Livingstone. Livingstone was a very pleasant venue for a meeting, and our sincere thanks are due to all the Zambian members who contributed towards the productive and successful outcome. The following represent the major highlights of the meeting.



STRATEGIC PLAN

The Association's Strategic Plan for the period January 2004 to December 2007 was approved. This document has been bound and printed, and those of you that have not yet seen it will certainly find it a useful guide to PhytoTrade Africa's strategic direction. Copies are available from Lucy (lucy@phytotradeafrica.com) on request.

USE OF PHYTOTRADE AFRICA LOGO

A proposal to allow members to advertise the fact that they are members of PhytoTrade Africa by incorporating the Association's logo into their own stationery was approved. All members are now entitled to put a specially modified version of our logo (with the words 'Member of PhytoTrade Africa' on it) on their letterheads and other publicity materials. A second proposal, to use the same logo on product packaging, was also approved. However, there are to be some fairly stringent conditions for this, principally relating to the quality of both the product itself and of its packaging. Members must formally apply

for the rights to use the logo. There are special application forms for this, available either on the members only section of the website or by e-mail from Lucy.

TRIAL PRODUCTION

GUARANTEE FACILITY

The Trial Production Guarantee Facility was officially launched. This facility is intended to alleviate some of the risks faced by members when commencing production of a product for which there is not yet a guaranteed market. It is also meant to ensure that the Association has product samples ready for delivery when commercial enquiries are received. The facility will be managed by Arthur, the Business Services Manager. For further information on this facility, please refer to the members only section of the website, or contact Arthur directly (arthur@phytotradeafrica.com).

SALES BROKERAGE SERVICES

The proposal on different models for providing sales brokerage services to members was discussed at length. Ultimately there were no firm conclusions on the way forward on this one, as members felt that each of the options presented might apply in particular circumstances. In the meantime, we have submitted a request to IFAD for them to provide us with a consultant to advise on the issue.

ADVISORY SERVICES CHARGES

The proposal on advisory service charges was approved by the AGM. It means that members will now be charged for the provision of one-on-one advisory services by the Executive Office staff. Note that the term 'advisory services' relates to any advice of a technical nature given to you by our professional staff. Each corporate member will be entitled to 10 hours of free advice per calendar year. We will keep a record of all advice provided, and will give members quarterly statements to advise them how much advisory service time they have used. Additional advisory time will be provided to members on a sliding scale of fees as follows:

| | |
|----------------|-----------------|
| 10 – 30 hours | US\$48 per hour |
| 30 – 50 hours | US\$60 per hour |
| 50 – 100 hours | US\$72 per hour |
| 100 hours + | US\$96 per hour |

CHANGES TO INTEREST GROUPS

The meeting agreed to dissolve the existing Interest Groups and to replace them with two broader groupings of membership, to be called ‘Industry Groups’. These are the Lipids Industry Group – concerned with issues relating to the production and trade of lipid oils and the Botanical Raw Materials Industry Group – concerned with issues relating to the production and trade of botanical raw materials (including fruit pulps and botanical extracts). It was agreed that these groups will be largely autonomous from the Association, defining their own annual budgets and workplans. Each will have an elected Chairperson and will be served by a Secretary appointed from within the Executive Office as follows:

Lipids Industry Group

Chairman: Charles Wamulwange (Lusinde Investments Ltd, Zambia)

Secretary: Nyarai Kurebgaseka (Technical Services Manager)

Botanical Raw Materials Industry Group

Chairman: Professor Lameck Chagonda (University of Zimbabwe)

Secretary: Lucy Welford (Information Services Manager)

CHANGES TO MEMBERSHIP FEES

There were several changes to the membership fee structure approved at the AGM. A member’s ‘membership year’ will run for 12 months from the date on which they were first invoiced for membership, as opposed to the previous system under which all members were subject to the same membership year, running from 1 July to 30 June. This does not affect current members, whose membership year will continue to run between these dates. It will, however, affect all new members. The second change was to

introduce a joining fee of 50% of a member’s annual membership fees. This is intended to discourage members from allowing their membership to lapse and then subsequently rejoining, as any members doing so will then be liable to pay the joining fee again. The third change was a slight amendment to the grading system for corporate members, which will now be as follows:

Grade 1 Turnover <US\$25,000 p/a US\$100

Grade 2 Turnover US\$25-50,000 p/a US\$250

Grade 3 Turnover US\$50-75,000 p/a US\$500

Grade 4 Turnover US\$75-150,000 p/a S\$750

Grade 5 Turnover >US\$150,000 p/a US\$1000

INTRODUCTION OF NATURAL PRODUCTS INFORMATION SERVICE SUBSCRIBER CATEGORY

The decision was also taken to introduce a scheme for PhytoTrade Africa Subscribers. This would be aimed particularly at small, community-based enterprises who wish to know more about the economic opportunities from natural products, but who are not able to afford membership fees. Subscribers will pay an annual fee of US\$50, and will receive periodic newsletters and other relevant information from the Association.

MEET THE BUYER

PhytoTrade Africa’s first ever Meet the Buyer session was conducted with the CEO and the R&D Director of Aldivia. This was a useful exercise for members, and gave many of them a chance to interact directly with our commercial partner on the lipids. Following the session, the two Aldivia representatives spent a further 10 days in the region, visiting members in Zambia, Zimbabwe and Namibia, as well as holding meetings with potential clients in South Africa.

We would like to thank everyone involved for a successful AGM, and look forward to seeing you all again at the next AGM in South Africa.

BUSINESS BULLETIN

Arthur Stevens, our Business Services Manager has now visited members in Zambia, Namibia, Malawi and Zimbabwe. He hopes to meet all members as soon as possible to gain familiarity with members, their operations and aspirations. If he hasn't met you yet, he certainly plans to do so soon. His next trip is planned for the end of October to Victoria Falls, Livingstone and Gaborone.

Arthur has also been assessing availability of the Chinese screw presses within the region to further extend **oil pressing capabilities**. Distributors have been visited in Zimbabwe, Malawi and Zambia, and details of presses stocked and pricing tabulated. This information is available to members on request. Further examination of screw press availability will continue through South Africa, where Arthur has visited RUTEC in Johannesburg. RUTEC presses are more expensive, but may prove to be better value than the Chinese presses in the long run.

The Trial Production Guarantee (TPG)

facility was introduced at the AGM in Livingstone. Its purpose is to share the risk of going into production with members. As orders become firm and volumes built up, members are well placed to continue production following the kick start given through the TPG. The first guarantee was notified during August 2004, covering production of 10 tonnes baobab pulp for Makonde Industries, a Zimbabwe based company. Two applications were received and the facility was awarded to the African Biodiversity Company (ABC). Delivery to the customer is expected to start in October and reach levels of 2 tonnes monthly.

This market development is important for members interested in **baobab commercialisation**. Not least is the potential for developing markets and generating income, it also enables greater experience with baobab, as well as establishing seed collection amongst communities. Selling of the pulp will create a stockpile of baobab seed, which will be available for the production of baobab oil. Another guarantee was notified in September 2004 (closing date 30 September) for the production of 1,000 litres of baobab oil. This oil will be

UPDATED LITERATURE LISTS AVAILABLE

The London Office has been updating the literature lists through extensive research at the British Library. The latest updates include the most recent (2003 and 2004) scientific papers on PhytoTrade Africa's focal species, as well as literature for other species such as *Colophospermum mopane*, and more general papers including the debate surrounding the intricacies of the CBD. In addition we now hold patents, in PDF format, for each species with the oldest one going back to 1900 for Terminalia. In the future literature searches will be widened through the use of facilities at The Royal Botanic Gardens, Kew. PhytoTrade Africa's literature resources are now available on a searchable database which will be accessible on the Members Only Website in the beginning of 2005.

CONFIDENTIAL MARKET BRIEFING AVAILABLE ON MEMBERS ONLY WEBSITE

The first of our new quarterly Confidential Market briefings will soon be available on the Members Only Website. It will be full of information about overseas market trends, business opportunities and R&D innovations and will be a useful way of members keeping up to date with PhytoTrade's latest developments.

exported to Aldivia over the next six months. Substantial interest has been shown in this guarantee, and the award is expected to be split between two members early in October.

Arthur will be continuing his visits to members over the coming months. He will be looking for new local and regional market initiatives aimed at smoothing the production capacity and capability for members. As these markets develop, Arthur expects also to offer his services to members as required in the preparation of business plans and other areas of business advice.

STAFF NEWS

Congratulations to Nyarai who had a baby girl, Rudairo on Friday 8th October. Mother and baby are doing well.

MANAGEMENT BOARD CHANGES

Annual elections for the Management Board were held at the AGM and the following people were elected:

Pierre du Plessis, Chairman (CRIAA SA-DC, Namibia)

Carl Bruessow (Mulanje Mountain Conservation Trust, Malawi)

Charles Chileya (Forest Resource Management Programme, Zambia)

Caroline de Kock (Speciality Foods of Africa, Zimbabwe)

Nazir Jussab (Forestry Development Company, Malawi)

Douglas Thamage (Veld Products Research and Development, Botswana)

The Board subsequently co-opted the following two additional members:

Professor Mudadi Benhura (Zimbabwe)

Nancy Kgwengwenyane (Botswana)

PHYTO TRADE ATTENDS BUSINESS LINKAGES FORUM

From 1st to 4th September 2004, PhytoTrade Africa represented our members at the Business Linkages Opportunities for Africa Forum (WSSD +2) held at the Sandton Conference centre in Johannesburg. PhytoTrade exhibited jointly with IUCN South Africa and used the opportunity to further develop the partnership with IUCN's Natural Products initiative. Alistair Ruiters, Director General of the South African Department of Trade & Industry (DTI) said "the DTI considers BGOAF as one of the vehicles through which our objectives within the NEPAD framework can be achieved, in particular the promotion of intra-African trade." The event incorporated a National Sustainable Development Conference and Thematic Round Tables, a Sustainable Development Best Practice Exhibition, a Learning Centre, Media Workshop and Doing Business in Africa Workshops. During the exhibition, PhytoTrade was also able to hold useful discussions with Lynette Hauselmann of Cosmetichem, the South African distributor for Aldivia.



PhytoTrade Africa:
 PO Box BE 385, Belvedere, Harare, Zimbabwe
 Tel: 790364; 708882; 704178; 790381 Fax: (263) 4 723037
 Email: info@phytotradeafrica.com
www.phytotradeafrica.com