

PHYTOTRADE NEWS UPDATE NUMBER 8

SEPTEMBER 2003

WELCOME to the first PhytoTrade new-look newsletter! As you probably know by now, on 1st June SANProTA officially became known by its new name: PhytoTrade Africa, the Southern African Natural Products Trade Association. In conjunction with the name change, we launched a new corporate image, including an updated website. We feel that our new name communicates more directly what we do: that we trade in African plants ('Phyto' comes from the Greek word for plant). More importantly, the term 'phyto' has resonance within our key markets - similar to that which 'natural' once had but has since lost through over-use. 'Phytomedicines', 'phytopharmaceuticals' and 'phytonutrients' are all terms familiar to the natural products industry, and imply that these products are natural, wholesome and plant-derived. We've already had a lot of positive feedback about our new image from all over the world from trusted colleagues and first-time clients alike. So we hope you enjoy the new newsletter. And by the way, if you have difficulty downloading the PDF format, please let us know and we will send it to you in Word format.

NEW R&D FINDINGS

The Phase 1 R&D reports have now been completed. We will shortly be sending summaries to the relevant Interest Groups and the full reports will be available to all members on the Members Only section of the website in PDF format.

*Cracking mongongo
photo: Letloa Trust*



MEMBERS ONLY WEBSITE LAUNCHED

In August, our Members Only Website was launched. The Website has up to the minute confidential market and technical information, as well as key background documentation that will be a vital resource to help you make your natural products enterprise a success. Please do feel free to give us feedback. We have tried to make the website as intuitive and user-friendly as possible, with minimal graphics to make it quick to download.

Unfortunately, we are only able to offer this service to those members who have paid their annual subscriptions. As soon as we receive membership fees from those of you whose fees are still outstanding, we will activate your log-in details immediately. If our webmaster, Tim, has not already contacted you with your confidential log in details and password, please let us know.

THE SOUTHERN
AFRICAN NATURAL
PRODUCTS TRADE
ASSOCIATION

MARKET NEWS

Baobab fruit pulp

All PhytoTrade's research to date on baobab fruit pulp strongly supports its use as an innovative ingredient for health and nutritional products. We are now in discussions with a German company that has many years experience in promoting products like baobab in the health food sector (including noni juice). This company also has experience in dealing with regulatory authorities to ensure that the rules and regulations relating to new food ingredients (such as safety and toxicity) are adhered to. This company would like to collaborate with PhytoTrade on a co-ordinated product launch for the German market. These discussions are due to progress into a planning phase in October. The regulatory issues relating to marketing baobab fruit pulp in the European markets are crucial. PhytoTrade is working closely with Leatherhead Food International to ensure an effective strategy for our members.

Aldivia

This last quarter has seen much activity in our partnership with Aldivia. This partnership covers baobab, Kalahari melon and mongongo oils, and *Ximenia* oil, mafura (*Trichilia*) butter and *Parinari* oil. We have committed significant resources to deepening and strengthen the partnership with Aldivia. Aldivia staff and distributors have promoted the African oils concept to several hundred cosmetic companies and contract manufacturers and dispatched many samples and technical datasheets. These efforts have ensured that a large percentage of the cosmetic industry is now aware of the availability of these oils from PhytoTrade members, and has led to these companies placing R&D-scale orders. With oils produced from PhytoTrade's R&D programme, and through new agreements with members who are able and willing to produce additional samples, PhytoTrade is now supplying these orders.

Kigelia products

Our research into market opportunities for *Kigelia* products has focussed on supplying a US-based extractor with samples under a Materials Transfer Agreement. This company has now prepared a special extract using new and sophisticated extraction technology and the

sample is being analysed. This sample will shortly be subject to a series of screenings to demonstrate *Kigelia's* commercial usefulness in the pharmaceutical industry. Other uses are also being considered with the help of herbal extract experts. PhytoTrade has also responded to various requests for basic extracts of *Kigelia*, as well as semi-processed raw material. Some of these efforts are likely to result in orders in the near future, depending on PhytoTrade member's ability to supply the product.



Organic certification

PhytoTrade has received numerous enquiries for various priority species products from a number of countries, including South Africa. As far as possible we've tried to channel these commercial enquiries to fit into a workable strategy. We expect many of these to develop into tangible and fruitful market opportunities for members. Many of the commercial contacts we've corresponded with have been requesting certified organic supplies. This is a major opportunity area and no doubt you'll be hearing from PhytoTrade on this matter again in the near future.

MONITORING AND EVALUATION

PhytoTrade has initiated an important monitoring and evaluation programme, which involves the collation and analysis of vital baseline information from you, our members. This will not only help us to evaluate our performance, but will help us to gain access to additional human, technical and financial resources that will, of course, ultimately benefit YOU! If you haven't already done so, please take a few minutes to fill out the short M&E questionnaire that we sent you in August.

PHYTOTRADE ANNUAL REVIEW

During October 2003, Geoff Rockliffe-King will be with us again to conduct our annual review on behalf of our funders, IFAD (the International Fund for Agricultural Development). We look forward to working with Geoff and Ed Heinemann, another representative of IFAD, who will have the opportunity to meet members in Malawi and Zimbabwe this year (last year the evaluation mission travelled to Zambia and Namibia).



OILS TRAINING COURSE

The PhytoTrade Africa Oils Training Course that was held for members from 23rd to 25th July 2003 at the ZESA Training Centre in Harare was a great success. The programme included an introduction to oils and fatty acids; oils and fats in the market place; and an introduction to oil processing technologies including use of the hydraulic and screw press in theory and practice. The course also covered solvent extraction in theory and practice; the refining and storage of oils, including settling and filtration of oil, degumming, neutralisation, bleaching and deodorization; and finally the chemical analysis of fatty acids. If you missed the course this time around, don't worry, we will be holding another oil processing course next year.

We are also planning to hold a course in November 2003 on natural resource evaluation and sustainable harvesting techniques, supply chain management and logistics (including storage and

distribution), post-harvest handling and quality control. Please give us feedback on whether you think this would be useful to you, and if you would like to participate in such a course. Application forms will be available soon.

BAOBAB AND MONKEY ORANGE MARKET OPPORTUNITY

At the end of July, we were pleased to announce to Baobab and Strychnos (monkey orange) Interest Group members that PhytoTrade has negotiated a very exciting and important new opportunity with a large South African company that manufacturers and markets distilled spirits and liqueurs. This company is interested in products manufactured from these fruit pulps, and is currently carrying out R&D work on these fruits. Some members have shown interest in this opportunity and despite limited supplies this year, particularly of baobab pulp, have supplied us with bench samples. If this R&D is successful, it presents excellent future commercial prospects for one or more of PhytoTrade's members.



RECORD MEMBERSHIP APPLICATIONS

We've received a record nineteen new membership applications for consideration at September's Management Board Meeting. Although we have recruited several private sector members, we are keen to have more private enterprises amongst our membership, so if you are currently working with the private sector, or have contacts with a private natural products-based enterprise, we'd like to hear from you.

PHYTOTRADE LAUNCH

We were pleased that the oil course gave us the rare opportunity to welcome so many of our members to our offices in Harare for the PhytoTrade Launch party on 25th July. After handing out the Oil Course graduation certificates, Gus Le Breton explained the evolution of SANProTA's into PhytoTrade Africa. Afterwards, we soaked up the winter sunshine and enjoyed a delicious braai in the pleasant surroundings of the PhytoTrade garden.



NEW BAOBAB CEREAL BAR

As announced through the PhytoTrade Baobab Interest Group, PhytoTrade member, Speciality Foods of Africa (SFA) of Zimbabwe is using our commissioned R&D results to develop a new baobab cereal snack bar for the Zimbabwean market and eventually for export. SFA is taking advantage of a PhytoTrade Innovation Grant to further develop earlier recipe formulations and also to create a marketing strategy.

CP WILD MEETING

Members of the Executive Office attended a workshop organised by the Commercial Products from the African Wild (CP Wild) initiative of the University of Stellenbosch held in Johannesburg on 13th-14th August. The regional workshop, which many PhytoTrade members also attended, focussed on indigenous plant commercialisation and domestication. Topics under discussion included the commercialisation of fibre, medicinal, bark/timber and fruit and concluded with mini trade show. PhytoTrade is currently discussing future collaboration with CP Wild, and the possibilities for linking up with South African natural products initiatives and enterprises.

The PhytoTrade Executive Office also used this opportunity to attend the Food and Pharma Processing trade fair at Kyalami conference centre in Johannesburg, where Girlie Njoni from Natural Marula Products (a member of the Marula Oil Producers Network) gave a presentation on products made from Marula.

NEW ICRAF PARTNERSHIP

PhytoTrade has developed a new partnership with ICRAF (International Centre for Research in Agroforestry) that will be presented at the CGLAR AGM in Nairobi in October 2003. The "Innovative Marketplace" initiative will be the opportunity to showcase the proposed collaboration between ICRAF and PhytoTrade. The partnership aims to further develop the work that ICRAF has carried out on domestication of priority indigenous fruit trees and marketing of their products through enhanced linkages to market opportunities and market information.

PhytoTrade Africa, the Southern African Natural Products Trade Association, represents small scale producers in the natural products sector in Botswana, Malawi, Namibia, Zambia and Zimbabwe. PhytoTrade's objective is to develop a reliable, efficient and enduring natural products industry in southern Africa, based on natural resources that are accessible to rural producers. Our over-arching goal is to develop a long-term supplementary income source for poor rural people in the region, so enabling them to improve their livelihoods from the sustainable exploitation of botanical resources.

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