

NATURAL INGREDIENTS CONFERENCES

**Presented by the dti
Cosmetics desk**

15th October 2018



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Natural Ingredients and products sector export strategy

- Huge sector growth potential
- Supply of a broad range of value added and innovative ingredients
- Support to a sustainable economic development



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Natural Ingredients and products sector export strategy: Aims

- Provision of a portal or database where information relevant to the sector is provided (R&D, processing facilities or experts; market information, funding and support options etc.)
- Sector coordination to align legislation, implementation, and associated support services
- Knowledge sharing and mentoring and compliance (GACP, GMP, EcoCert etc.) including ABS compliance and commercialisation of products
- Provision of seamless funding options along the value chain (sourcing, processing, production and commercialisation
- Capacity building of sector associations to ensure they develop and provide services to the sector



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Constraints:

- A disconnect between the private and the academic sector
- Government strategies on research are not coordinated
- Local testing capacities do not meet sector needs
- Public funding for research does not meet private sector needs.
- A lack in cooperation between companies on research and development.
- A lack of access to information on traditional use and national biodiversity
- A lack of standards for key South African products, and standard operating procedures to implement standards.
- Missing strategic and market-based planning of R&D among companies and the public sector
- Understanding Intellectual Property (IP) rights and patenting



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Interventions and progress:

- Access to information
 - Forums, workshops and a website still to be created
- Coordinated partnerships
 - Steering committees: BIDC, DEA Forums, Standards technical committees, UNIDO/DTI standard steering committee, ABS Compliance initiatives
- Sector specific funding programmes
 - New Innovative technologies funding (IDC) for Natural products:
 - *A vibrant and vertically integrated SA company in the natural products industry using indigenous and naturalised flora to produce differentiated food ingredients, nutraceuticals, cosmetics and pharmaceuticals.*
 - *Products using indigenous plants in pharmaceuticals, supplements and cosmetics.*
 - *Full Value Chain.*
 - ***Minimum funding requirement R1m.***



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Interventions and progress:

- Regulations - Improved business compliance
 - DEA to give an update, BIOPANZA and BABS regulations
 - DST to give an update on NIKSO and IKS
- Increase exports of SA products
 - Participation at the In-Cosmetics
 - Professional Beauty (Local and international)
 - Natural Ingredients and products international exhibitions
 - CECOSA and CBI to give more information
 - SAA Duty-free and CECOSA partnership (access to local and international market)



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Interventions and progress:

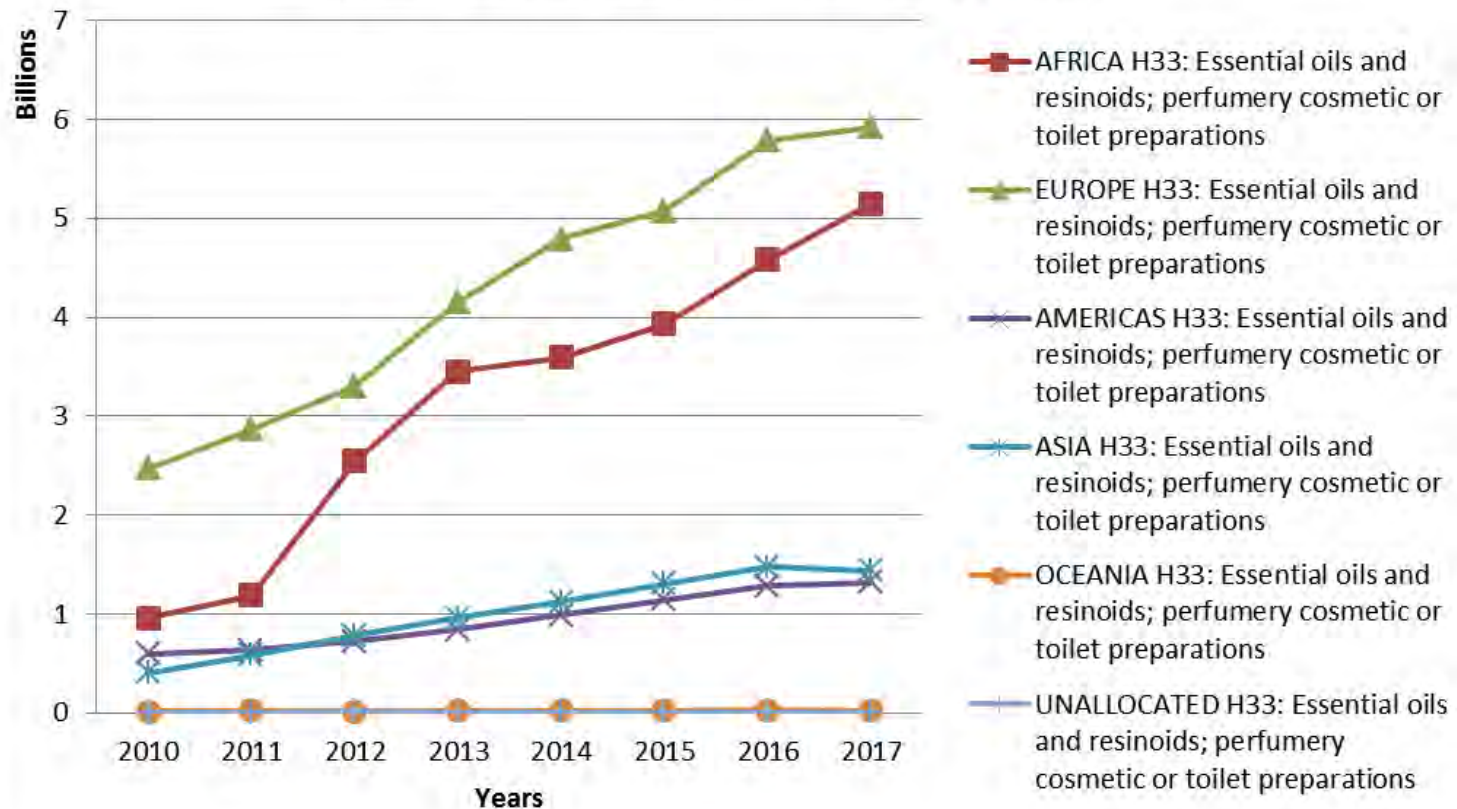
- UNIDO/SECO/DTI
 - Strengthening the quality of essential and vegetable oils exports from South Africa
- SECO/DEA
 - ABS Compliant Biotrade in Southern Africa
- Funding opportunities
 - **The dti** Agro-processing funding
- SABS
 - Development of essential and vegetable oils standards



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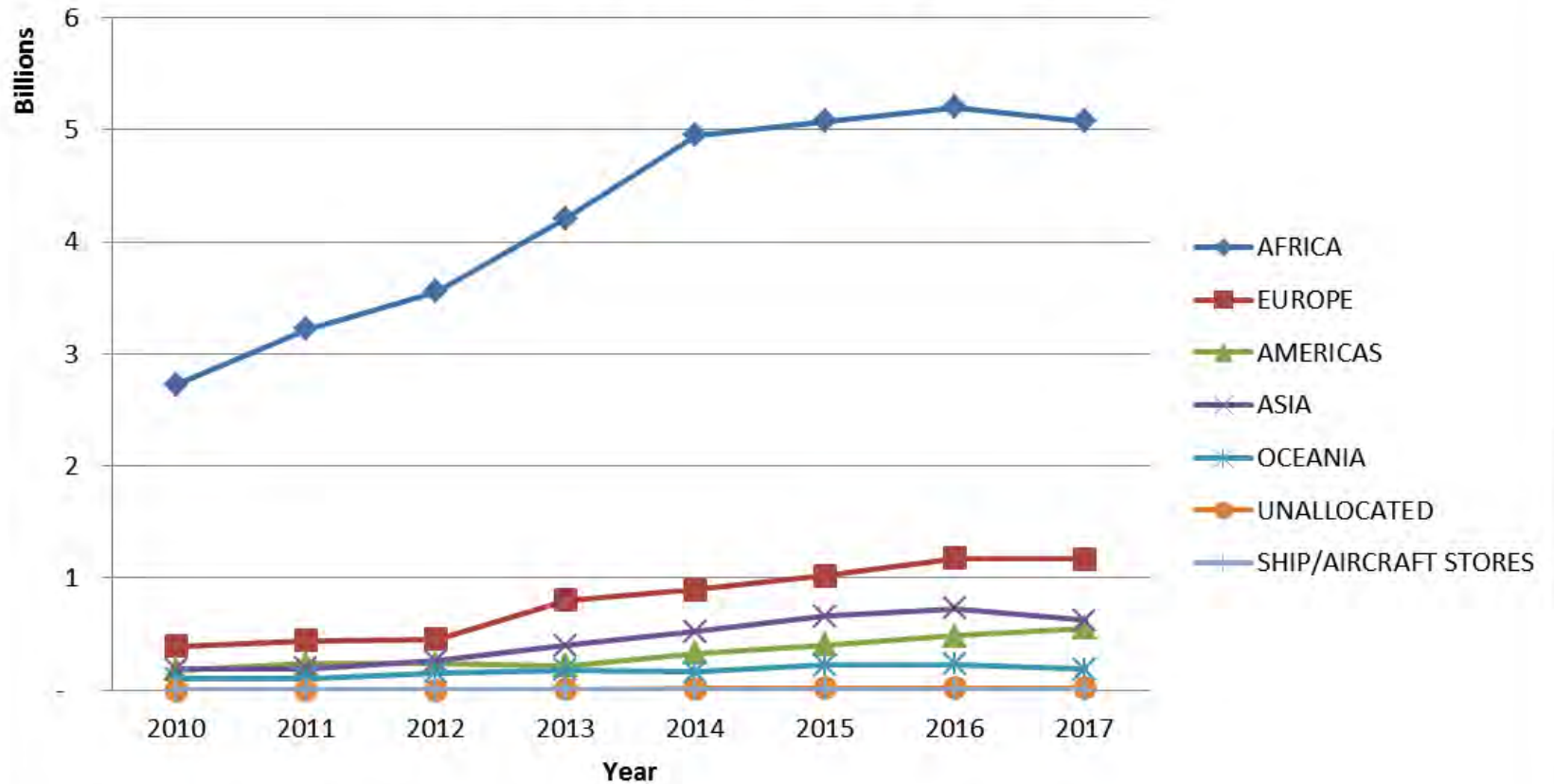
SA Imports of Essential oils by Region



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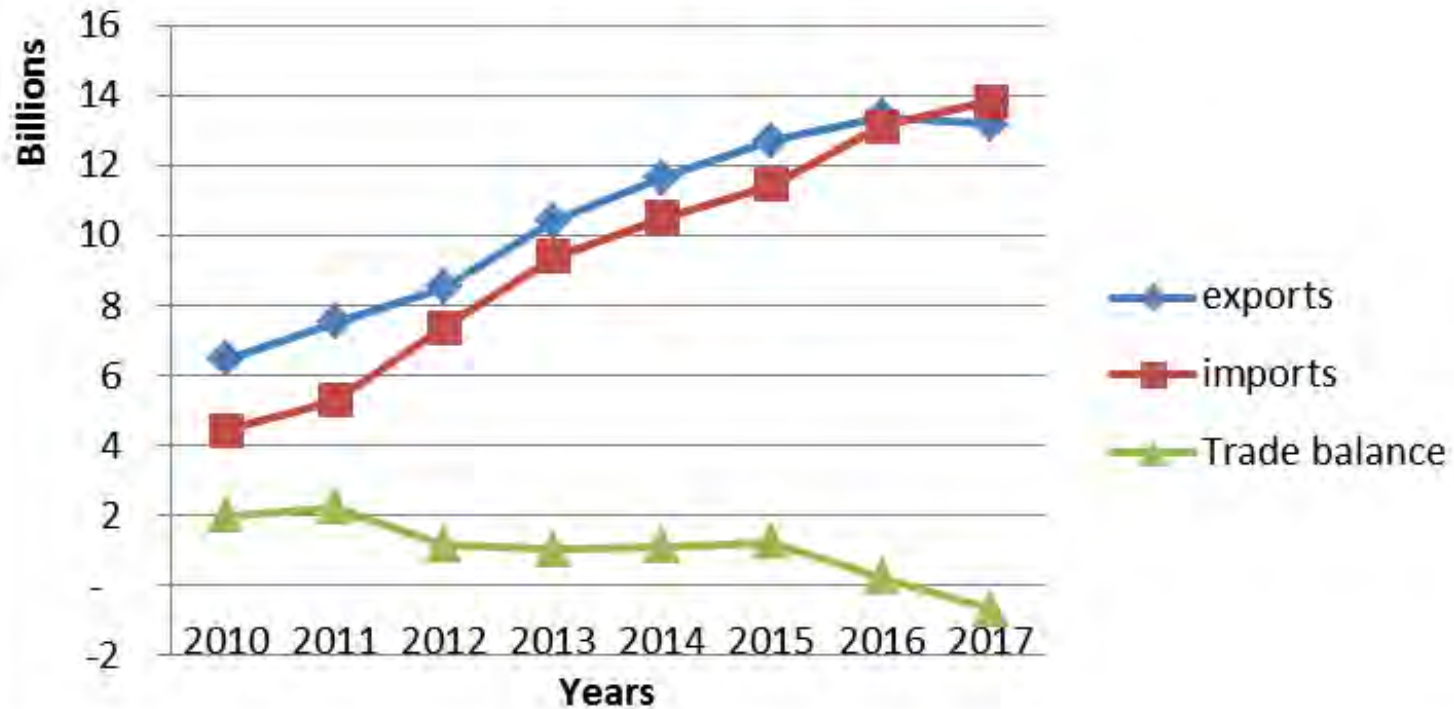
SA Export of Essential oils by region



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Trade balance



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Trade data summary

- Majority of SA essential oils export go to African regions (R5bn)
- 2017: Majority of SA essential oils imports: Europe (R5.1bn), African regions (R5.9bn)



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THANK YOU



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