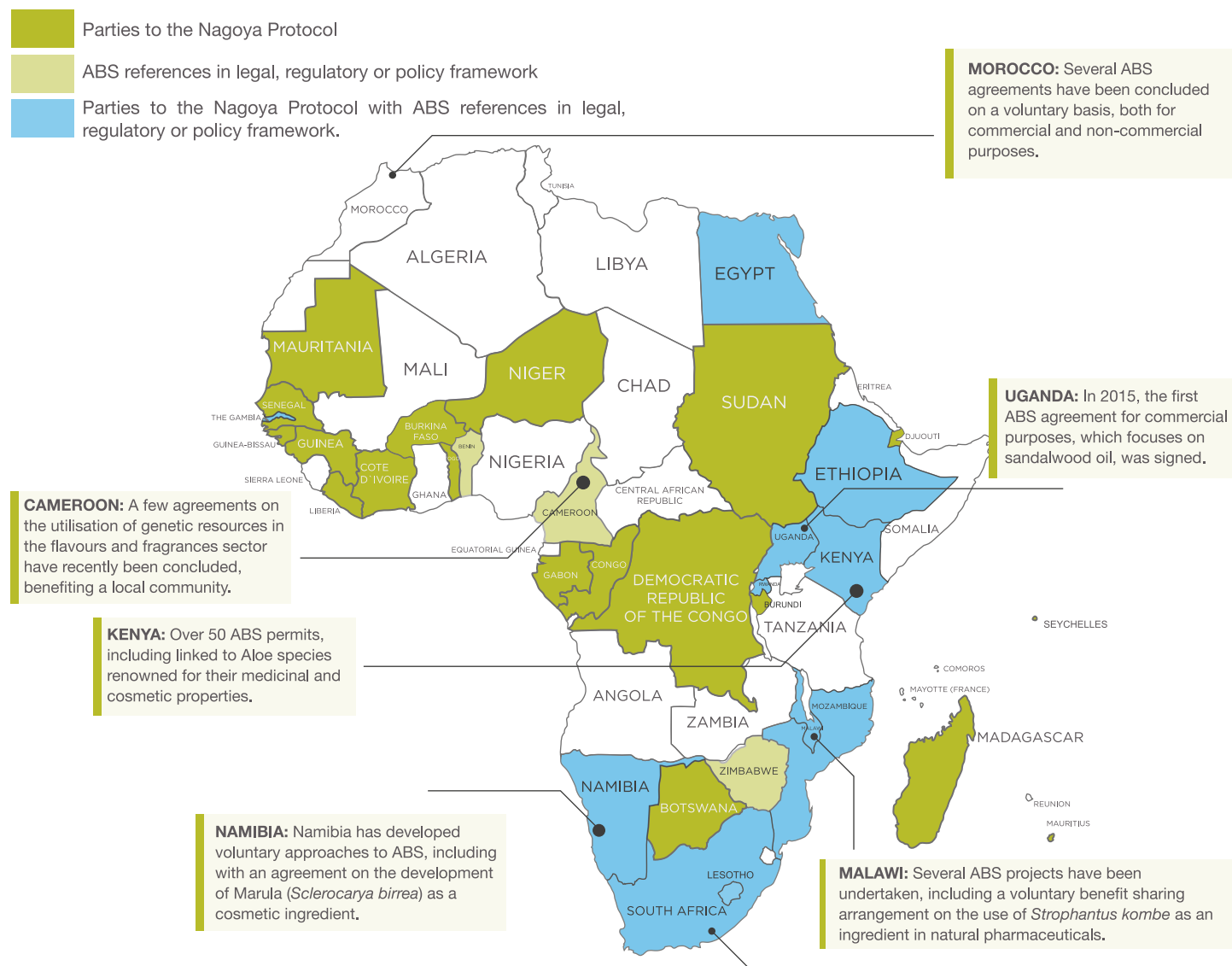


Africa: Rules and practices on access and benefit sharing (ABS)

Biodiversity represents a unique opportunity, particularly in Africa. The wealth of African biodiversity is a source of innovation for companies working with natural ingredients. Evolving rules on access and benefit sharing (ABS) in Africa, shown in the map below, also provide more legal certainty for biodiversity-based research and development, and opportunities for fair and equitable sharing of benefits. The map below also provides a non-exhaustive look at ABS practices in Africa, with examples of recent ABS agreements and permits.



Making ABS work for you: A strategic partnership

The Union for Ethical BioTrade (UEBT), PhytoTrade Africa and the ABS Capacity Development Initiative work together to provide expertise and networks on ABS. The goal is to support stakeholders – from companies and research institutions to policy makers and local providers – in navigating rules, engaging with other actors and negotiating agreements on ABS.

SOUTH AFRICA: To date, over 30 benefit-sharing agreements have been concluded, including an agreement on the use of Buchu (*Agathosma betulina*) as a nutraceutical ingredient. In 2015, South Africa issued the first internationally-recognized certificate of compliance with ABS, for research and development on Kanna (*Sceletium tortuosum*) and associated traditional knowledge, aimed at identifying its potential pharmaceutical applications.

Africa: Biodiversity as a source of innovation

Africa is rich in biodiversity. This variety of natural resources provides significant innovation opportunities for companies working with natural ingredients. In addition, sourcing from biodiversity provides companies with a new way to engage with their consumers. When asked what would make consumers purchase a product containing natural ingredients from Africa, protecting biodiversity and improving livelihoods of African producers were two of the most popular responses.

What would make you buy a product that contains natural ingredients from Africa?	Ranked 1st or 2nd
Buying this product helps improve the living conditions of African producers	53%
Buying this product helps preserve biodiversity in Africa	52%
I do not pay attention to ingredients of Africa origin; I'm only interested in the quality and effectiveness of the product	42%
These ingredients are traditionally used in Africa with proves their effectiveness	27%
I associate these ingredients with the abundance and exoticism of Africa's flora and fauna	26%

Basis: 5000 respondents (France, Germany, UK, USA, Brazil)
Source: 2011 UEBT Biodiversity Barometer



Africa Beauty Markets

The African beauty market is expected to double over the next decade, with a projected annual growth rate of 5-10% in the sales of beauty and personal care products.¹ South Africa and Nigeria have traditionally been the biggest beauty markets on the continent, but other countries, including Kenya, Egypt and Ethiopia, are increasingly significant. Major global brands such as L'Oréal, P&G, Estée Lauder and Unilever have already developed expansion strategies to capitalize on Africa's potentially lucrative beauty market, estimated to be worth US \$13.2 billion in 2017.²

Research and innovation are at the heart of beauty market development strategies in Africa. L'Oréal, for example, aims to create cosmetics that "respond to the continent's diverse beauty needs and wishes". Most of its sales in Sub-Saharan Africa are products designed specifically for African consumers. And it is not only brands seeking to grow in the African beauty markets. In 2015, Croda, a British company producing specialty chemicals for personal care, opened a center of excellence in South Africa to develop ingredients and products for skin and hair care. In

2014, fragrances and flavors supplier Symrise launched a subsidiary in Nigeria, which also features application laboratories. Symrise is also establishing a center of excellence for biodiversity-based innovation based in Madagascar.

Consumers in Africa, as in other regions, are increasingly interested in natural ingredients. A 2011 survey in South Africa, for instance, found that the content of natural ingredients was among the main criteria used by women in choosing a cosmetic product.³ There are efforts to expand market opportunities for natural ingredients from African biodiversity, both in Africa and abroad. PhytoTrade Africa, for example, identifies market opportunities, connects producers and companies, and raises consumer awareness.

¹ Roland Berger Strategy Consultants (2013).

² Cosmetics Design (2015).

³ Vital Solutions (2011).

Contact UEBT

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