



environmental affairs

Department:
Environmental Affairs
REPUBLIC OF SOUTH AFRICA

THE ABS
CAPACITY
DEVELOPMENT
INITIATIVE



L'INITIATIVE DE
RENFORCEMENT
DES CAPACITES
POUR L'APA



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Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

3rd Stakeholder meeting

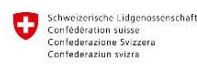
18 February 2019, CSIR Baobab Room, Pretoria

Objectives of the meeting:		
<ul style="list-style-type: none"> • Presentation by Dr Jackie Crafford project titled “<i>Situational analysis on South African enterprises within the bioprospecting/ biotrade sector, implementing access and benefit-sharing (ABS), to understand how the sector applies ABS in their business model(s)</i>”. • Feedback on applications (grants and capacity development) received by ABioSA. • Identify the stakeholders to assist with training and formulate an action plan • Presentation by DEA on BioPanza • Presentation by IDC on plans with regards to a sector specific fund • Update on UNIDO project survey 		
Participants Present	Organisation	Position
Dr Jackie Crafford	Prime Africa	Managing Director
Joretha Després	ABS Capacity Development Initiative (GIZ)	Senior Technical Advisor Chair of the meeting
Serole Sehona	ABS Capacity Development Initiative (GIZ)	Junior Technical Advisor
Dr Siya Ntutela	AfricaBio	CEO
Mpho Mamabolo	AfricaBio	GM: Research and Strategy
Lerato Legodi	BrandSA	Stakeholder Relations
Lara Kotzé	CSIR: BIDC	Sr Bioprocess engineer and project manager
Phatheka Mbambiso	CSIR: BIDC	Sr Researcher: Agro-processing
Thabo Ramashala	DAFF	Director: Plant Production
Renira Boodhraj	DEA	Project Officer
Preshanthie Naicker-Manick	DEA	Deputy Director: Biodiversity Economy
Portia Kekana	DSBD	Director: Market Access Strategic Planning
Thelma Dlamini	DSBD	Assistant Director: Market Access Support
Sinah Mosehla	the dti	Director: Cosmetics
Tebogo Maila	the dti	Assistant Director: Agro-processing
Makhosazana Mayekido	the dti	Cosmetics Directorate
Zandile Fuyane	IDC	Senior Industry Development Manager
Keogile Modisakeng	Innovation Hub	Sr Manager: BioPark
Naazlene Patel	Innovation Hub	Commercialisation Specialist: Biopark, Bioeconomy Unit
Nonhlanhla Gwamanda	NAMC	Sr Economist: Agribusiness Development

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Vicky Beukes	Nedbank	Group Social and Environmental Risk Manager: Enterprise, Governance and Compliance
Dr Sechaba Bareetseng	NEPAD SANBio	Programme Manager
Rest Kanju	SEED South Africa	Director and Head of Operations
Andrew Bam	SEDA	Sr Manager: PAD & Learning
Malembe Mtsweni	SEDA	Manager: Conformity Assessment & Training
Ronell Staphorst	SEDA	Project Manager: BESD
Kgaladi Thema	SEDA	Specialist: Innovation & Technology
Horst Weinert	SEDA	Sr Manager Quality Systems
Matsidiso Hashatse	SEFA	Customer Relations Specialist
Obakeng Maema	TIA	Portfolio manager: Agriculture
Dr Elsie Meintjies	UNIDO: GQSP	Project Advisor
Apologies	Organisation	Position
Cyril Lombard	ABS Capacity Development Initiative (consultant)	Project Advisor
Ebrahim Wadiwala	CSIR	Senior Enterprise Development Specialist
Nonhlanhla Halimana	SECO	Programme Manager
Horst Weinert	SEDA	Sr Manager Quality Systems
Anna Reyneke	SIPPO	Country Representative South Africa
Kristin Klose	TIA	Business Development Manager: International Partnerships
Senisha Moonsany	TIA	Head: Innovation Skills Development
Lucy Moteka	TIA	Programme Manager: Innovation Skills Development
Tandokazi Nquma	TIA	Business Development Manager: Strategic Engagements and Corporate Relations



Welcome, purpose of meeting

The chairperson welcomed all participants, highlighting the purpose of the meeting. The purpose of the meeting was:

- To provide feedback on the received grant and capacity development applications.
- To formulate an action plan by identifying the role of stakeholders in assisting and addressing the identified issues and difficulties hindering the growth of the sector (See Attached Annexure).

Presentation by Dr Jackie Crafford to the stakeholder forum

Dr Jackie Crafford, from Prime Africa introduced the project titled “*Situational analysis on the South African enterprises within the Biotrade Sector implementing ABS, in order to understand how the sector applies ABS in their business model*”. The general objective of the project is to analyse the implementation of ABS in the bioprospecting/biotrade enterprise space and to understand how ABS will be integrated into the business space.

Dr Jackie Crafford highlighted the following regarding the approach of the project:

- The project forms part of the DEA UNDP-GEF Global ABS Project.
- Aims of the project:
 - To determine an enterprise spectrum, at a sector level, based on the bioprospecting/biotrade sector funding scope (for profit, not for profit, both);
 - To determine scope and extent of business activities related to biodiversity;
 - To determine ABS applications in biodiversity-based businesses; and
 - To identify and recommend best practices on the implementation of ABS in biodiversity-based businesses.
- A four phased methodology approach will be used to achieve the objective of the project which includes:
 - Stakeholder consultations (research, industry harvesters)
 - Data analysis (enterprise characteristics and application of ABS)
 - Best practice recommendation (report on best practice)
 - Situational analysis (final report and validation workshop)
- Bioprospecting/Biotrade value chain (2015) with three main segments (resources, biotrade and final markets) and their interrelation throughout the value chain, which will be used as a point of departure.
- The project is currently at the stakeholder consultation phase. There will be a stakeholder workshop tentatively scheduled for the first week of March. The project will end on the 12th April 2019.

Discussions:

- To avoid challenges going forward, there is a need to determine where are the bottlenecks and what are the issues in the sector.



- Currently, along the value chain communities are mostly involved at the resource phase (harvesting and cultivation) or there is a Traditional/Indigenous Knowledge holder who is not involved in the harvesting and cultivation of the plant materials.
- To improve the value chain there is a need to identify the key role players within each segment of the value chain.
- DEA is developing Best Management Plans for particular species to address sustainable wild harvesting.
- Research will support and be applied throughout the value chain.
- Biotrade was explained to be a buying and selling process and bioprospecting was defined as a process of analysing chemicals to come up with product formulation and development. Based on the definitions it was suggested that the whole value chain needs to be re-looked.
- The project scope is focusing on formal markets. The regulation of informal markets and traditional markets still need to be figured out and DEA is working on an integrated solution.

Introductions by participants and minutes of the second stakeholder meeting held on the 19th November 2018.

The participants introduced themselves. The minutes were circulated prior to the meeting for comments. The minutes were presented by UNIDO which incorporated the comments received. The minutes were approved and adopted.

Presentation by ABioSA

Ms Joretha Després gave feedback on grant and capacity development applications. The following were highlighted:

- The profile of SMEs who have applied for grants and capacity development. The comparison between the less advanced and more advanced SMEs in terms of turnover.
- The size of funding required to assist SMEs.
- The details on Component 1.1, 1.2, 1.3 and Component 2.
- The difficulties in the sector.
- Species that applicants are working with.
- The requirements and needs of the SMEs.
- Training required for capacity development and identification of stakeholders who can offer training in the presented skills.

Discussions:

- The less advanced and more advanced SMEs were purely differentiated by turnover.
- The results presented by the ABioSA team were based on the applications received for grants and capacity development. In total 35 capacity development applications were received. The numbers presented were analysed for South Africa only.
- Stakeholders suggested that there is a need to conduct a research on the contributing factors that hinders the growth and success of SMEs and community-based projects in the sector.



- There is a need to synchronise and optimise assistance offered to SMEs by different institutions.
- SMEs still do not understand the technical and regulatory hurdles in the sector.
- The aim of the grant is to fill in the gaps throughout the value chain and a small percentage of the grant could be used towards purchasing equipment.
- Both the less advanced and more advanced SMEs produce value adding products.
- Roadshows are needed as an awareness strategy and to assist SMEs on how to develop a viable project when applying for funding.
- The gaps identified which based on the applications received, are in line with those identified in previous survey with other SMEs.
- It was highlighted that there is a need to involve relevant local government as stakeholders and their contacts will be shared.
- There is a need to develop a strategic approach to assist community projects and BSOs.

Presentation by Department of Environmental Affairs on BioPANZA

Ms Preshanthie Naicker-Manick presented on the progress of BioPANZA. The following were highlighted:

- BioPANZA is a coordinating network which blends partnerships to optimise development and enhance growth in the biotrade and bioprospecting sector.
- The link of BioPANZA to Operation Phakisa Biodiversity Economy.
- BioPANZA operational model which is a collaboration between public-private sector.
- The implementation of BioPANZA clusters.
- The concept of BioPANZA finance cluster which aims to blend resources from different institutions and conceptualise and establish funds that will assist in addressing the needs of SMEs in the sector.

Presentation by IDC on plans with regards to a sector specific fund

Ms Zandile Fuyane presented on the IDC natural products funding proposal. The following were highlighted:

- The IDC business unit involvement.
- The current support to SMEs in the sector by IDC.
- IDC focus area will be on developing funding solution in the sector.
- The significant challenges along the value chain.
- The profile of SME's in natural products sector.
- The IDC funding will be focusing on commercialisation and technical supports assistance components.
- The current funding proposal of the IDC will be a pilot for further funding rounds.
- The next step is to ask from Government Departments and other stakeholders to indicate how much they can contribute towards the fund.



Update on UNIDO project survey

Dr Elsie Meintjies gave feedback on the survey that was done by UNIDO. The following were highlighted:

- The survey indicated that a lot of money has gone into the sector, however no impact assessment has been done.
- It was highlighted that most of the funding goes towards the buying of plant materials, equipment and product development and does not focus on improving the consistency of the quality of the oils produced.
- The most supported species in the sector is Rose geranium, Lippia and Marula
- In the survey there is no indication of commitment beyond 2018 by supporting organizations.

Way forward and closure of meeting

- A list of training to be offered for capacity development for the sector will be circulated to stakeholders to indicate which skills training can be provided. As a result, a clear roadmap will be developed indicating who offers what training in the sector.
- Two focus areas that need to be discussed in the next stakeholder were raised, which are the state of Business Support Organisations (BSOs) and identify the challenges and issues that hinders the success of community projects.
- The next meeting will be held on 8 April 2019 from 10:00-14:30.