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Swiss Confederation

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

Minutes of the 5th Stakeholder's Meeting held on 11th June 2019, CSIR, Building 20, Baobab Room, 10:30 – 14:45

Agenda Item No. 2: Welcome and additions to the agenda

The Chairperson welcomed all participants. Participants introduced themselves. An attendance and apology list are attached as Appendix 2. Tebogo Maila was changed to Tebogo Moila on the agenda.

Agenda item No. 3: Approval of minutes of 4th Stakeholders meeting held on 8 April 2019

The minutes were circulated for comments prior to the meeting. The Chairperson presented the minutes of the 4th Stakeholder Meeting held on the 8th April 2019 which incorporated comments received. The minutes were accepted and adopted with no changes.

Description	Action	Responsible Person
"Situational analysis of the SA enterprises within the Biotrade Sector implementing ABS, in order to understand how the sector applies ABS in their business model", DEFF UNDP-GEF Global ABS Project	The Situational analysis study has been finalised and presented to the Bioprospecting Advisory Committee. DEA to present the findings of the study at the next meeting.	DEFF
Contacts details of relevant local government	ABioSA team will identify the relevant local and provincial government representative in the Biotrade sector. ABioSA to compile a short summary of the purpose of the list. TIA representative has contact details from SALGA and which municipalities are supporting essential oils and will provide list by end of June 2019. The identified representatives will be shared with the stakeholders. All Stakeholders will provide contacts details if available.	ABioSA TIA (Sarel v.d. Merwe) All

Agenda item No. 4: Matters arising

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List of training offered for	The list that was circulated and it will	ABioSA
capacity development for the	be amended and be presented at the	
sector	next stakeholder meeting.	
ABioSA to arrange a meeting with	The meeting on 25 April that took	ABioSA
SMEs and government	place at the Loftus Protea hotel was	
departments	set up to address this issue. A	
	record/meeting note of the event	
	will be provided to Stakeholders	
Feedback on	Stakeholders to share feedback on	All
meetings/workshops hosted by	relevant	
stakeholders	events/meetings/workshops which	
	they host	
Dates of future	Stakeholders to forward ABioSA	All
meetings/workshops and events	dates and the following information	
	of future	
	events/meetings/workshops in order	
	for the stakeholders to have a	
	shared calendar:	
	- Type of event/meeting	
	 Context of event/meeting 	
	 Is it an event/meeting by 	
	invitation or open?	

Agenda Item No. 5: Presentations on community projects: case studies and experiences

CSIR reported that their invited speaker could not attend due to other commitments.

Sarel van der Walt from TIA introduced a project which will start in July 2019. The project will be focusing on community projects working with essential oils. The project aims to develop innovation for new mobile to assist community projects and investigate the failure of community project. The project will be collaborating with SEOBI on value add.

Stephen Nel from IDC provided a presentation on the kind of support they provide to community projects and lessons learnt. The following were highlighted:

- IDC has funded:
 - Community farmers;
 - Commercialisation of new products in to the market;
 - The Innovation Hub incubation programme;
 - North West University in testing products for market suitability;
 - o University of Pretoria hydroponics system development project;















- o Agro-programmes with community that have land and government assets;
- Research studies on marula plantation for commercial growing and similar research study will be done on baobab;
- Mining houses.
- IDC works with government departments, South African Bureau of Standards (SABS) in the traditional medicinal sector and leverages additional funds from private and public funders.
- IDC funds communities with unutilised assets and social enterprises.
- The funds are payable after a certain period and once the project is sustainable and viable.
- The following lesson learnt were identified regarding community projects:
 - Not enough cash flow to stick out bad seasons
 - Quality control
 - Community turbulence (disagreement within the community)
 - Government not willing or dragging to give long term leases
 - Small players cannot meet funding criteria for gaining commercial funding (not all institutions give 100% funding)
 - Commercialisation takes place at an early stage of the project (going too big too quick).

Discussions:

- It was highlighted that the grant funding is not limited to specific activities if the enterprise meets IDC criteria.
- The funds do not support small holder farmers. The small holder farmers are supposed to be supported by rural development and government institutions. The fund's focus is on value add and commercial farmers.
- It was noted that M&E criteria for social enterprise funding has not been clearly defined as well as sustainable reporting.

Action items arising from the discussion:

It was agreed that Ms Tendai Matika from GRI who presented at the SME event on 25 April will be invited to the next meeting to present on sustainable reporting and its application to the agricultural sector.

• It was agreed that IDC will share the summary document of projects with stakeholders (Appendix 3).

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Agenda Item No. 6: Presentation on sector support gaps

A draft matrix of services provided by associations/institutions was presented by Cyril Lombard. The aim of the matrix was to determine the gaps in service provision by association/institutions and to illustrate at which part/areas of the value chain each association/institution is involved or not involved. It was observed that there is no association that provides all the services along the value chain, while most of the institution offers services at the last mile of the value chain. Trainings that are offered by the association/institution will be included in the gap analysis.

Discussions:

- It was clarified that the Swiss Import Promotion Programme (SIPPO) is a programme rather than an organisation.
- It was suggested that associations/institutions must be clustered into their mainstreams (e.g trade and market; access to finance) and develop a tool that will illustrate the specific services provided by associations/institutions within each stream.
- The next step of the gap analysis will be to address the critical areas and services that are not provided by the associations/institutions. The ABioSA team will conduct further research on the development of the gap analysis and relevant stakeholders will be engaged.

Agenda Item No. 7: Feedback: BioPANZA and Stakeholder Consultations

Preshanthie Naicker from DEFF reported that the finance, policy and legislation and sustainable supply clusters of the implementation of BioPANZA are in place. The first discussions of the market cluster will be held on the 24 June 2019 to a create a road map. An invitation was extended to stakeholders who are interested in joining the gathering. The formalisation of the innovation cluster will be next in line.

Agenda Item No. 8: Update: Sector Fund

The IDC has presented the natural products funding proposal to several government departments to indicate how much they can contribute towards the fund. DSI undertook to contribute R50 million to the fund. DEFF has indicated that they may contribute R90 million to the sector fund. DSBD and **the dti** are in support of the sector fund and both departments are still to determine their contribution amount towards the sector fund. A finance cluster strategic meeting will be held in July 2019. It was suggested that there is a need to set up a monitoring and evaluation system that will assess the social, environmental, business, trade, commerce and job impacts of the work of the Clusters.

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Agenda Item No. 9: Feedback: Status Report on the IDC project

The Agro-processing unit of the dti has funding from IDC to assess 27 projects with agro-processing facilities that are not operational with the aim to develop a turnaround plan that will revive the projects to function sustainably and attract investments. Field visits were conducted and 23 projects with agro-processing facilities were assessed. It was determined that some of the infrastructure and machinery of the visited projects are still intact and most of the projects were funded in 2015. The dti will have a meeting with provincial stakeholders to present the situational analysis on the 13 June 2019. The study will potentially be completed early next year.

The dti had a pitching/collaborative funding meeting with stakeholders and enterprises. The enterprises were given a platform where they can present their projects to stakeholders, and stakeholder indicated how they can contribute towards the projects to match the dti funds. Positive feedback was exchanged between both enterprises and stakeholders.

Agenda Item No. 10: Presentation on GEF 6

DEFF introduced the GEF 6 project entitled: ABS compliance value chain project, which is a UNDP project. The project supports the national biodiversity economy strategy and Nagoya Protocol on ABS. The concept of the project was developed in 2014 and it was approved by the GEF 6. The project will run for 5 years. The project will be focusing on various aspects:

- Specific species and assessing different aspects of the value chain for each species:
 - Aloe (Harvesting, material collection and processing)
 - Honeybush (involve communities to promote value adding and commercialisation, establishment of supply and processing units, focusing on Eastern and Western Cape)
 - Rooibos (Discuss and develop well-structured ABS agreement systems)
 - Pelargonium sidoides (To update and effectively implement the Biodiversity Management Plan)
- The project in collaboration with DSI will identify traditional knowledge holders of 20 high potential species.
- Furthermore, it will also develop a Biotrade certification system focusing on sustainable supply collaborating with SANBI.
- Lastly, it will be coordinating the establishment of a Hub in the Northern Cape province. The ARC will be leading the research and development component of the Hub. The focal species will be those that occur naturally in the Province and assist the communities to set up cultivation points.

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The project is in the process of finalising contracts and project management, which will be followed by an inception meeting. The project will likely start in either the third or fourth quarter of 2019.

Agenda Item No. 11: Any other business

A questionnaire will be circulated to stakeholders by ABioSA and UNIDO to assess and evaluate the value of the stakeholder meetings and what stakeholders find most valuable and what could be improved. Feedback of the assessment will be presented at the next meeting. It was agreed that the Stakeholder meeting will continue to be held every second month based on the positive response from Stakeholders.

ABioSA has drafted a concept for a first marula meeting for marula stakeholders. The micro-outcome of the meeting is to develop and establish a marula sector development plan which may either be provincial, national or regional. The first element that will be covered of the marula sector development plan is the biodiversity conservation and sustainable supply.

The proposed date of the meeting is 2^{nd} July still to be confirmed, this meeting will be by invitation only

Agenda Item No. 12: Date of next meeting

Tuesday, 13 August 2019 – to be hosted by UNIDO

Agenda Item No. 13: End of meeting

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Appendix 1: Action list of minutes of 5th Stakeholder meeting held on 11 June 2019

Agenda Item No.	Description	Action	Responsible Person
4	"Situational analysis of the SA enterprises within the Biotrade Sector implementing ABS, in order to understand how the sector applies ABS in their business model", DEA UNDP-GEF Global ABS Project	The Situational analysis study has been finalised and presented to the Bioprospecting Advisory Committee. DEA to present the findings of the study at the next meeting.	DEFF
4	Contacts details of relevant local government	ABioSA team will identify the relevant local and provincial government representative in the Biotrade sector. ABioSA to compile a short summary of the purpose of the list. TIA representative has contact details from SALGA and which municipalities are supporting essential oils and will provide list by end of June 2019. The identified representatives will be shared with the stakeholders. All Stakeholders will provide contacts details if available.	ABioSA TIA (Sarel v.d. Merwe) All
4	List of trainings to be offered for capacity development for the sector	The list that was circulated, it will be amended and presented at the next stakeholder meeting	ABioSA
4	Dates of future sector events	 Stakeholders to forward ABioSA dates and the following information of future events/meetings/workshops in order for the stakeholders to have a shared calendar:Type of event/meeting Context of event/meeting Is it an event/meeting by invitation or open? 	ABioSA

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5	Development of best practice	A best of practice for community	ABioSA and UNIDO
	for community projects	projects to be development based on	
		the lesson learned and experiences.	
		ABioSA and UNIDO to establish a	
		working group. To discuss at the next	
		meeting	
5	Booklet circulation of	IDC to circulate a booklet on	IDC
	community projects	community projects that they have	
		supported.	
6	Sector support gap analysis	Gap analysis on sector service	ABioSA
		provision to be conducted and	
		circulated at the next meeting	
8	GRI Africa presentation	GRI Africa to give a presentation on	GRI Africa
		Sustainable Reporting at the next 🦯	
		meeting	

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Appendix 2: Attendance and Apology List

Participants Present	Organisation	Position
Adrie El Mohamadi	ABS Capacity Development	Senior Technical Advisor
	Initiative (GIZ)	
Cyril Lombard	ABS Capacity Development	Project Advisor
	Initiative (consultant)	
Serole Sehona	ABS Capacity Development	Junior Technical Advisor
	Initiative (consultant)	
Ashwell Ndlala	ARC	Researcher: Agro-Processing of Medicinal Plants
Phatheka Mbambiso	CSIR: BIDC	Sr Researcher: Agro-processing
Moloko Mojapelo	Department of Agriculture, Land	Agronomist
	Reform and Rural Development	
Cyndi Mante	Department of Agriculture, Land	Intern
	Reform and Rural Development	
Preshanthie Naicker-	DEFF	Deputy Director: Biodiversity Economy
Manick		
Phindile Langazane	DEFF	Biodiversity Officer
Sinah Mosehla	the dti	Director: Cosmetics
Makhosazana Mayekiso	the dti	Assistant Director
Tebogo Moila	the dti	Assistant Director: Agro-processing
Stephen Nel	IDC	SNL LED Specialist
Nonhlanhla Gwamanda	NAMC	Sr Economist: Agribusiness Development
Vicky Beukes	Nedbank	Group Social & Environmental Risk Manager: Enterprise, Governance and Compliance
Malembe Mtsweni	SEED	Manager: Conformity Assessment & Training
Anna Reyneke	SIPPO	Country Representative South Africa
Sarel Van Der Walt	TIA	Portfolio Manager: Sustainable Livelihoods
Dr Elsie Meintjies	UNIDO: GQSP	Chief Technical Advisor
Apologies	Organisation	Position
Portia Kekana	DSBD	Director: Market Access – Strategic Partnerships
Solly Molepo	the dti	Deputy Director: Agro-processing
Zandile Fuyane	IDC: New Industries	Senior Industry Development Manager
Nonhlanhla Halimana	SECO	Programme Manager
Ronell Staphorst	SEDA	Project Manager: BESD
Lara Kotze	BIDC CSIR	Programme Manager: BIDC

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