



## Minister Edna Molewa addresses the opening session of the 7th Pan-African Access and Benefit Sharing Workshop

25 February 2013

The Minister of Water and Environmental Affairs, Ms Edna Molewa today, 25 February 2013, addressed the opening session of the 7<sup>th</sup> Pan-African Access and Benefit Sharing (ABS) Workshop, held in Phalaborwa, Limpopo. The Workshop is held in partnership with the multi-donor ABS Capacity Development Initiative, coordinated by the Gesellschaft für Internationale Zusammenarbeit (GIZ).

The multi-donor ABS Capacity Development Initiative was established in 2005 by the German Federal Ministry for Economic Cooperation and Development under the management of GIZ to support partners in Africa, the Caribbean and the Pacific in their efforts to make access and benefit sharing (ABS) a reality. It is funded by the European Union (EU), the Institute for Energy and Environment of the Francophonie as well as the German, Norwegian and Danish governments. Since 2006, the Initiative has supported the African Group in the negotiation of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of the Benefits Arising from their Utilisation (in short referred to as the Nagoya Protocol on ABS) which was adopted in 2010 and the national implementation of the ABS provisions of the Convention on Biological Diversity (CBD). Now the focus has shifted to supporting the early ratification and subsequent implementation of the Nagoya Protocol on ABS.

This year's workshop is the second of its kind to be hosted by South Africa. The first Pan-African ABS Workshop was held in Cape Town in 2005. After hosting the first workshop, South Africa remained a keen participant and supporter of the initiative. As in previous years, the main focus of the 7<sup>th</sup> edition workshop was developing capacity by bringing together National Focal Points with other stakeholders (such as representatives from the research sector, indigenous and local communities, civil society and the private sector) and providing a forum for the exchange of experiences and lessons learned in different countries.

Speaking during the opening session, Minister Molewa highlighted the importance of the Workshop and the bioprospecting, access and benefit sharing-related work it sought to promote by highlighting that "the South African benefits derived from biodiversity or ecosystem services, or the natural capital as it is known, are estimated at 73 billion Rands, contributing to 7 percent of South Africa's GDP per annum." She added that the biodiversity economy, which is part of our national Green Economy, is therefore South Africa's competitive edge in growing our economy and addressing climate change adaptation.

The relevance of South Africa's hosting of the workshop was also recognised by Dr Andreas Drew, Head Manager of the ABS Capacity Development Initiative. He stated that "it is no coincidence that our 7<sup>th</sup> Pan-African workshop takes place in South Africa. This country is very advanced in terms of Access and Benefit Sharing, as it has specific laws in place that are strictly enforced. South Africa is an African champion in conserving biodiversity while also using it sustainably for the benefit of its population.

The 7<sup>th</sup> edition of the ABS Workshops will also include a field trip for participants to one of the bioprospecting projects supported by the ABS Capacity Development Initiative. This is known as the *Lippia javanica* Cultivation, Distillation and Oil-extraction Project in Giyanitha that has

complied with the provisions of the Regulations for Bioprospecting, Access and Benefit Sharing which came into effect on 1 April 2008.

The *Lippia javanica* Cultivation, Distillation and Oil-extraction Project in Giyani sees the extraction of oil from the indigenous plant, *Lippia javanica*, which is then used to produce mosquito-repellent products. The *Lippia javanica* has more effective repellent properties than similar or comparable commercial products on the market and traditionally, the plant stems and leaves are hung in rural dwellings to repel mosquitoes. The project is the result of an ongoing collaboration between DEA, the Department of Science and Technology (DST), the Council for Scientific and Industrial Research (CSIR) and the National Traditional Healers Committee and the Mswanganyi and Mabunda communities in Giyani. The project is community-based and has a signed Benefit Sharing Agreement that has resulted in a number of positive spin-offs.

These include a licensing agreement with Zollhaus International (Pty) Ltd which has paved the way for the marketing of the mosquito repellent products, nationally and internationally, thereby realising the commercial benefit of this local essential oil. Through this licence, demand for the oil produced by the local community has been secured, helping to generate economic activity for the local community. Also, as part of the Benefit Sharing Agreement of the project, all royalties negotiated under the marketing license will be paid in full to the owners of traditional knowledge.

The workers at the production factory in Giyani area, who are predominantly from Mswanganyi and Mabunda communities, have also acquired the production technology and skills required to manufacture the mosquito repellent candles on-site; illustrating the skills development aspect of such bioprospecting projects. The Benefit Sharing Agreement for the project also stipulates that the CSIR will pay benefits from the sale of the mosquito repellent candles to the knowledge holders and the first payment of R26 000 has been made to the knowledge holders in 2012. Today the second royalty payment of R20 000 from the CSIR to the beneficiaries of the project was presented by Minister Molewa. Commenting on this, Dr Vinesh Maharaj, Head of Biosciences at the CSIR, stated that the payment of the second royalties to the knowledge holders and the success of the Giyani project overall “demonstrates the value of bringing together three important pillars (biodiversity, indigenous knowledge and scientific innovation) for the generation of benefits.” It is envisaged that many more future payments will be made as royalties continue to flow.

All these benefits speak to the Minister’s point during her address that “biodiversity is indeed a basis for human and socio-economic development” and also to her call for all stakeholders “to debunk the myth that biodiversity management hinders development, by positioning the biodiversity sector as a major contributor to job creation and the fight against poverty.

Alongside the permit for the *Lippia javanica* Cultivation, Distillation and Oil-extraction Project, the Minister has also awarded similar permits to companies and communities that have gone on to use bioprospecting not only for commercial benefit, but also skills, community and economic development. Associated to these permits, there are in the region of 90 partnerships and signed agreements.

The most recent permit was issued to Organic Aloe (Pty) Ltd for the utilisation and processing of bitter aloe powder from aloe crystals and the extraction of gel from the discarded *Aloe ferox* leaves. Last year, a permit was awarded to African Aloe (Pty) Ltd for *Aloe ferox*, *Aloe arborescens* and *Carpobrotus edulis*. This permit is for the eventual sale and export of Aloe bitter sap, lump, crystal, powder and gel to be used as ingredients in the pharmaceutical, food and cosmetic industries. Another permit is held by Eucrasia (Pty) Ltd for the extraction and purification of chemical compounds from the shrublet *Galenia Africana*, better known as Kraalbos. Dennis Noel de Villiers was also awarded a permit for trade in *Aloe ferox* sap, extracts and crystals on national and international markets for bioprospecting. Another permit was awarded to Grahamstown-based Gower Enterprises, a company that manufactures and prepares natural herbal remedies such as cough mixture and concentrate juice for local consumption, for the sale of *Pelargonium sidoides* and *Aloe ferox* raw materials in various formats.

Another permit was issued to Essential Amathole (Pty) Ltd. for the cultivation, primary procession, selling and exporting of *Aloe ferox*, *Helichrysum odoratissimum*, *Pelargonium*

*reniforme* and *Pelargonium sidiodes*. Essential Amathole (Pty) Ltd. produce a range of organic oils and medicinal plant extracts for local and international markets. The MuthiFuthi Trust project was also awarded a permit for the cultivation, processing and marketing of herbal products containing active ingredients from 40 indigenous biological resources. Some of the commercial products produced treat congestion, asthma and boost the immune system. Another permit was awarded to the Council for Scientific and Industrial Research (CSIR) in collaboration with an international client based in Johannesburg, Cragill RSA (Pty) Ltd. for the development of *Sclerechitonilicifolius* (monatin, molomomonate) as a natural sweetener, scientifically proven to be 1200-1400 times sweet than that of sucrose when tested as 5% and 10% solution. The University of California, Los Angeles, along with the University of Free State, was also awarded a permit for the purposes of describing the extent to which the genetic polymorphism of vervet monkeys, *Chlorocebusaethiops* can assist in the international collaborative effort to establish *Chlorocebus* as the leading non-human primate model system for genomics-driven research.

### **Background Information**

In April 2008, under the National Environmental Management: Biodiversity Act 2004 (Act No. 10 of 2004) the former Minister of Environmental Affairs and Tourism established the regulations for Bioprospecting, Access and Benefit Sharing. In May 2011, South Africa took a lead role and signed the Nagoya protocol on ABS at the United Nations Headquarters in New York. The Nagoya Protocol on ABS is a legally binding agreement outlining a set of terms articulating how one country will gain access to another country's genetic resources and how the benefits will be shared.

The significance of South Africa's party to the Nagoya Protocol on ABS is that it encourages grassroot involvement in the process of discovery, research and development phases of products based on genetic resources. The purpose of the national legislation is not to restrict access to resources and collect money, but to ensure that the resources are accessed for a purpose that is in the interest of the public. Such interest could include the protection and conservation of the genetic resources of South African animals, plants and other organisms; stimulating economic development and promoting scientific research and capacity in South Africa. The legislation also stipulates that the money accruing from any benefit sharing agreement should go into a trust fund administered by government and then transferred to the community, in this way growing the green economy. The importance of this connection between ABS legislation and African economies is noted by Dr Drews when he states that "the finalization of the AU Guidelines for the implementation of the Nagoya Protocol ... means that there is a good chance of creating a continent-wide market for bioprospecting that does not only benefit national economies but protects biodiversity at the same time. The equation is simple: Only when you protect biodiversity can you valorize it, and convert it into cash.

On 10 January 2013, South Africa became the first country of the year to ratify the Nagoya Protocol on ABS, joining Ethiopia, Fiji, Gabon, India, Jordan, Lao People's Democratic Republic, Mauritius, Mexico, Panama, Rwanda and the Seychelles as countries that have ratified the ground-breaking treaty.

As pointed out by Minister Molewa, such regulatory frameworks "stress the importance of fair and equitable sharing of benefits with communities arising from commercial utilisation of indigenous biological resources and associated traditional knowledge." She added that "this legal framework provides a huge opportunity for economic growth, sustainable development and poverty alleviation." The Minister ended by urging the remainder of African countries to fast track their national processes of ratification of the Nagoya Protocol on ABS to ensure its early entry into force.

To access the Minister's speech click on the link below:

**>>>Minister Edna Molewa's speech during the 7th Pan African ABS Workshop**

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