

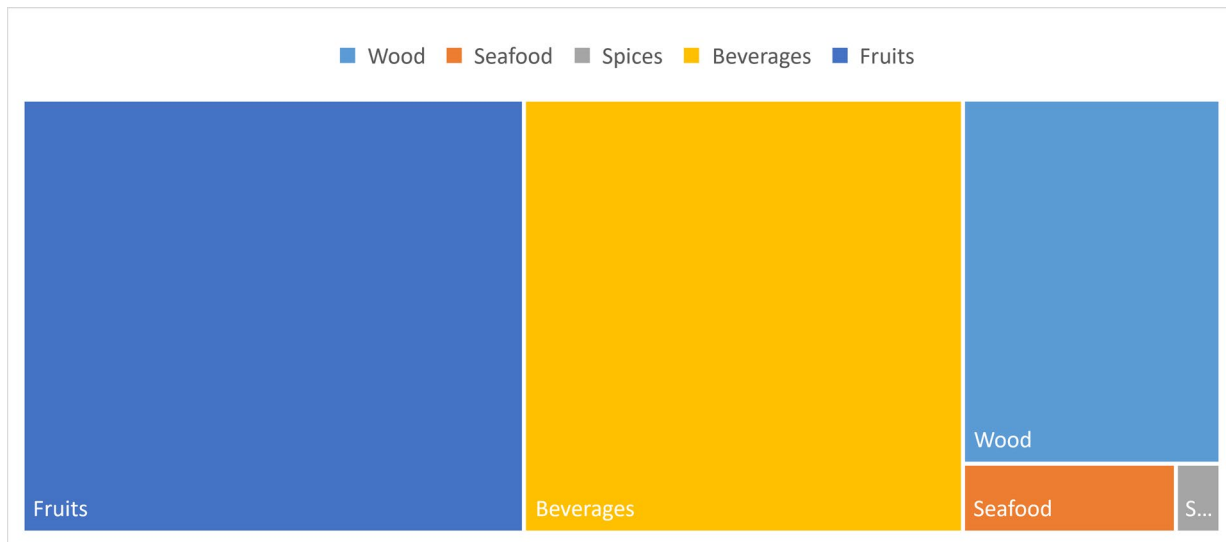


Office: Africa
For the Month of: March 2023
Report Completed: March 13, 2023



Executive Summary

This report will give a summary of five selected products which include wood and wooden articles, Seafood, Edible fruits, Spices and beverages. On the selected products, the region spends a substantial amount of wood and wooden articles followed beverages, the fruits, fish and lastly spices as depicted below. These will each be discussed in-depth in subsequent reports.



The listed products fall under different Product Codes. The table below provides a summary of mostly imported products under the HS codes for the selected products.

Table 1: Product Codes for imported products

Product	Product Code	Most imported product	Product Code
Wood and wooden articles	HS 44	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness of > 6 mm	4407
Seafood	HS 03	Frozen Fish	0303
		Fish fillets and other fish meat, whether or not minced, fresh, chilled or frozen	0304
Edible fruits	HS 08	Edible fruit and nuts; peel of citrus fruit or melons	0802
		Fresh strawberries, raspberries, blackberries, black, white or red currants, gooseberries and other edible fruits	0810

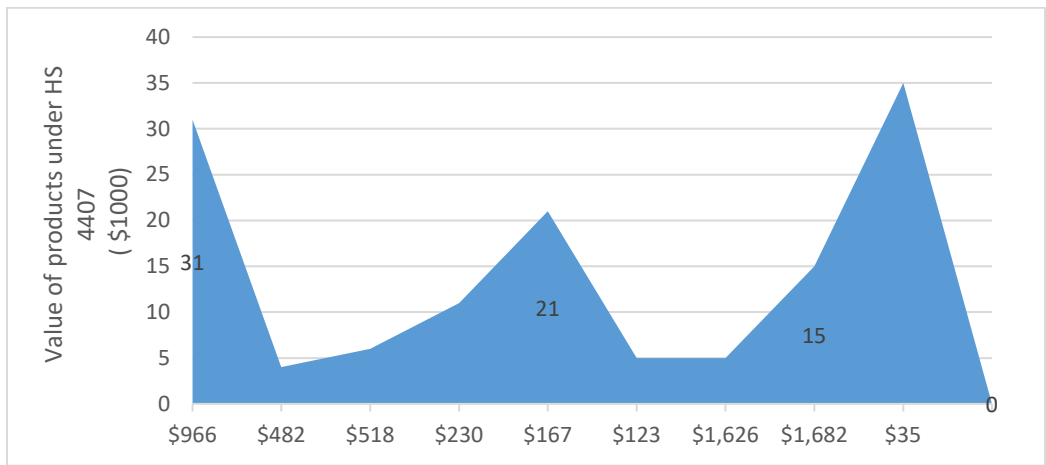


Spices	HS 09	Ginger, saffron, turmeric curcuma, thyme, bay leaves, curry and other spices	0910
Beverages	HS 22	Undenatured ethyl alcohol of an alcoholic strength of < 80%; spirits, liqueurs and other spirituous beverages	2208
		Undenatured ethyl alcohol of an alcoholic strength of >= 80%; ethyl alcohol and other spirits, denatured, of any strength	2207

Market Intelligence Update

1. Wood and wooden articles

Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness of > 6 mm are the most imported products. The product is under product code 4407. Although the African continent has vast forest resources, it still imports a huge volume of timber and products from other continents. Furthermore, the continent imports huge volumes of timber products amounting to around US\$ 4 billion annually. This is because of low capacity of the wood processing industry on the continents (AFDB, 2021). The figure below shows a 10-year trend of the value of the total imports of the products.



Source: Trademaps, 2023

Figure 2: Total value of wood products imports between 2013 and 2022

Prior to the Covid-19 pandemic in 2020, the value of imported wood under the specified product code was showing a general increasing trend. The trend has been showing a growing increase from the sharp decline of 2020.



2. Seafood

Demand for seafood products in Africa has been rising steadily, a trend that is likely to persist through 2027 (Insights, 2022). Rising seafood per capita consumption, increasing demand for imported seafood products, and the emergence of specialty seafood restaurants and growth in urbanization are some of the factors driving market growth.

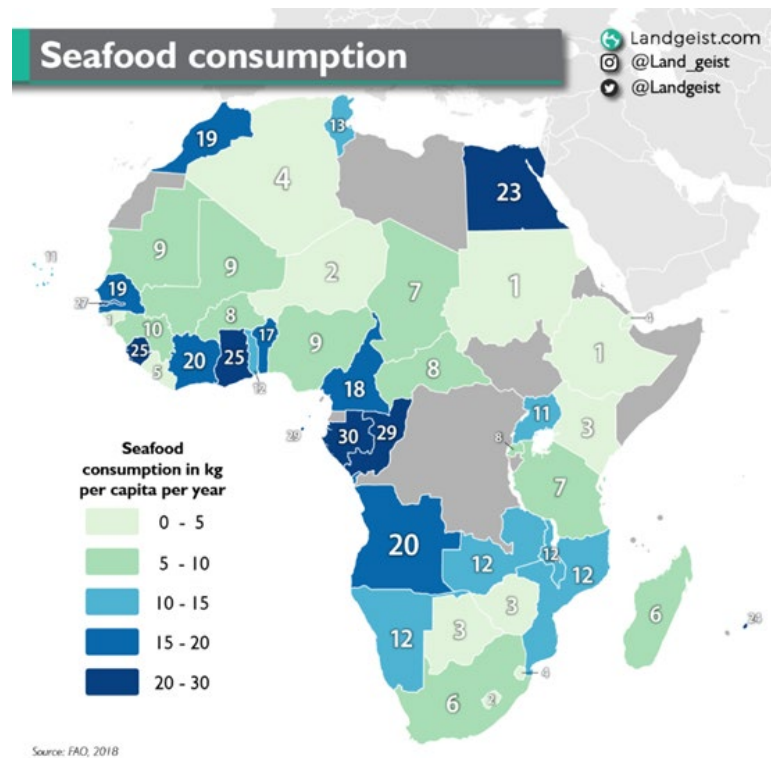


Figure 3: Seafood Consumption in Africa Source: Landgeist (2021)

From Figure 3, Countries on the Atlantic coast, have a much higher seafood consumption than other areas in Africa. With Gabon (Central Africa) having the highest seafood consumption in Africa (30kg/person/year – 66lb). The Republic of the Congo (29kg – 63lb), Ghana, Sierra Leone (25kg -55lb) and Egypt (23kg-50lb) are the other countries with a seafood consumption over 20kg/ 44lb.

A number of coastal countries seem to have a lower consumption despite being on the coast, this is due to a high amount of seafood being exported to mainly Europe and Asia. Madagascar is a great example of this.

According to the FAO, the continents' population is increasingly looking toward imported product to meet its demand. Africa imports up to 35% of the fish consumed in the continent due to solid demand, including that for non-locally produced species in the face of static or declining domestic fish production. African fish imports, mainly affordable small pelagic and tilapia, present an important source of nutrition, especially for populations that are otherwise dependent on a narrow range of staple foods. (FAO, 2021) The value for fish fillets under the product code 0304 has been increasing. An AFDB report reveals that the demand for imported is explained by low production. This is because of small maritime zones, spatial dimension, bad management of marine ecosystems has affected stocks in a substantial way (AFDB, 2016).



3. Edible Fruits

The most commonly imported products under edible fruits are nuts, fresh or dried whether shelled or peeled with product code 0802. Africa is a major exporter in the edible fruits market, which includes nuts. There is a lot of intra Africa trade with regards to fruits and nuts because of the climate and nature of land, a wide range of fruits are cultivated. However, in 2021, the United States exported approximately 244 million U.S. dollars’ worth of fruit and tree nut products to Africa. In 2013, this figure amounted to around 122.94 million U.S. dollars. (Statista, 2021) The growth is shown below in figure 4.

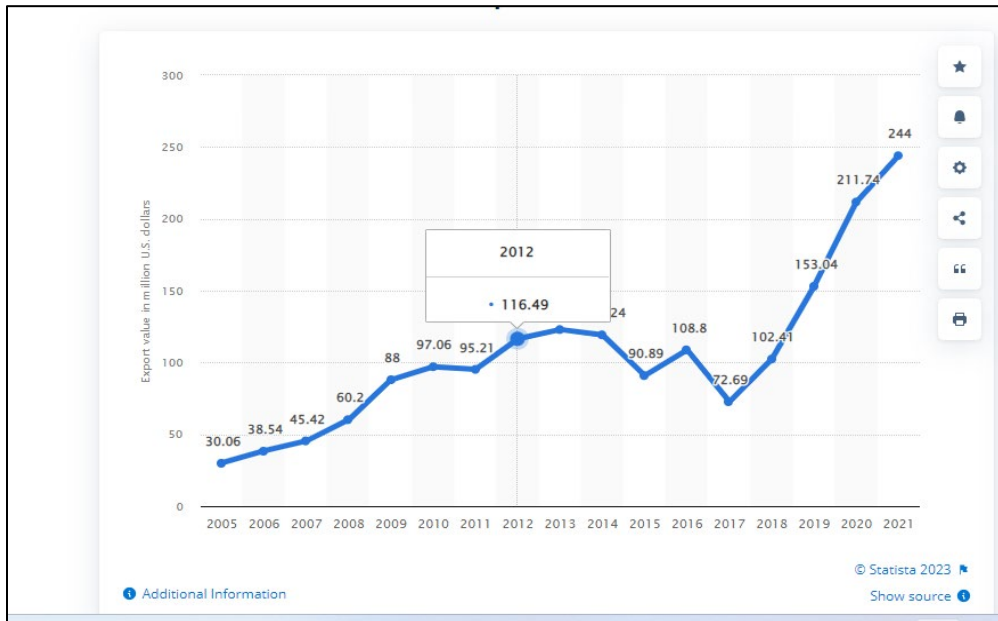
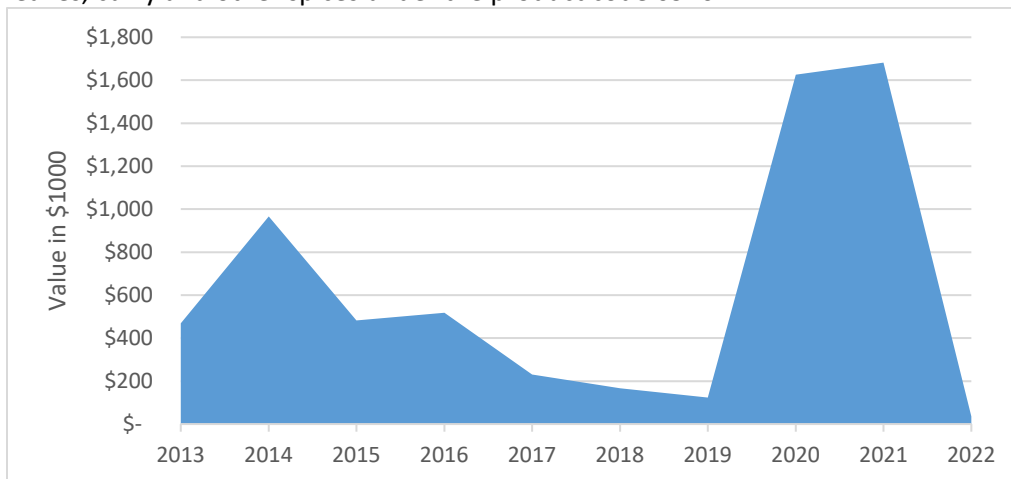


Fig 4: U.S. fruits and tree nuts exports to Africa from 2005 to 2021 Source: Statista

4. Spices

The most imported products under the product are Ginger, saffron, turmeric curcuma, thyme, bay leaves, curry and other spices under the product code 0910.



Source: Trade Maps, 2023

Figure 5: Value for spices imports by Africa



As shown in the figure above, there was sharp increase in the demand of products that are under 0910. The sharp increase could be attributed to increased demand for ginger as it became a popular antioxidant during the covid-19 pandemic. In addition to the ginger, there has been increase in cinnamon and cinnamon flowers. The market for spices is gaining popularity with growing tourism. As people travel, they get to taste more and more exotic dishes and as a results spices and herbs used in exotic cuisines is growing. Also, the multicultural population is growing. Customers have high demand for high quality healthy ingredients along with increased preferences for trying new flavors. Meat, poultry and seafood remains the largest market segment for spices. Various seasonings are used in the preparation of meat products, together with sauces and dips to enhance flavor of meat, fish and other dishes (Mordor Intelligence, 2023).

5. Beverages

The mostly imported beverages are alcoholic drinks with product code specified in table 1. Forecasts from the IWSR show the region's alcoholic drinks market will grow by 12% in volume and 15% in value by 2023.



The major players in the beverages industry in Africa are; Coca-Cola, Diageo, AB InBev, Pespico and Kingsley. Demand for premium alcoholic beverages in Africa is growing. There has been rise in the number of social drinkers in Africa including women. The growing middle class also contributes to increased demand for imported beer (Mordor Intelligence, 2023). Statista

estimates the non-Alcoholic Drinks market in the continent to be worth about US\$85.45bn in 2022. The reputable data agency forecasts the market to grow annually by 10.77% (CAGR 2022-2027).

Updates on Relevant Market Changes.

Phyto-sanitary requirements, quarantine and inspection procedures, customs clearance, documentation, labeling, pricing, strategy, financing, shipping and other considerations

Market Update on Import Procedures on Seafood

Importation of seafood in South Africa

A number of bodies are involved in the importation of seafood into South Africa. There are several document and procedures that need to be followed in order to successfully import seafood into South Africa. Department of Agriculture, Land Reform and Rural Development (DALRRD www.dalrrd.gov.za) provides an extensive list of procedures, application forms, and the regulatory framework governing the import of agricultural products into South Africa. Before a product is shipped to South Africa. An import permit is required. The import permit will also stipulate the Phytosanitary certificates are a required for the importation of seafood into South Africa. Exporters of seafood to South Africa need certificated from recognized agencies such DALRRD, APHIS, FSIS and FDA.

The National Regulator for Compulsory Specifications (NRCS) Food and Associated Industries Division is in charge of regulating canned meat and meat products, canned fish, frozen fish and frozen marine molluscs, frozen rock lobsters, frozen shrimp/prawns, langoustines and crabs, smoked snoek, and live abalone. The standards and specifications for the aforementioned items in terms of quality and composition, packaging and labelling, processing facilities, and those handling and processing the aforementioned food products



are developed by the Food and Associated Industries Division. The National Regulator for Compulsory Specifications (NCRS) regulates the production and importation of fish and fish products and oversees the industry through compulsory standard specifications. These are:

- The Compulsory Specification for frozen fish, frozen marine molluscs and frozen products (VC 8017);
- Compulsory Specification for Frozen rock lobster and frozen lobster products;
- The Compulsory Specification for Frozen shrimps (prawns), langoustines and crabs (VC 8031)
- The Compulsory Specification for Live aquaculture abalone

These Compulsory Specifications can be found on <https://www.nrccs.org.za/compulsory-specifications/compulsory-specifications>

Nigeria

Without a permit, no fish or fish products may be imported into Nigeria. The Harmonized Tariff Schedule (HS) chapter 03 covers fish, chilled fish, fish flesh, frozen fish, fish fillets, dried fish, smoked fish, cooked fish, not cooked fish, fish pallets, crustaceans, mollusks with shells, mollusks without shells, and aquatic invertebrates for human use. The import permit (typically valid for six months) should include all pertinent information regarding the import, including the name and address of the exporter and importer, the description of the goods, their quantity and value, their origin, a list of their ingredients, the species of fish from which they were derived, and identification marks. Along with the stamp of the licensing authority, all of the inspection details from the exporting nation must be mentioned explicitly. The Nigeria Customs Services employs the Pre-Arrival Assessment Report (PAAR). It enables importers to upload their import documentation online for evaluation and clearance prior to the arrival of the cargo. Therefore, exporters need to prepare all the required documentation before shipping.

Nigeria's primary food safety agency is the National Agency for Food and Drug Administration and Control (NAFDAC). NAFDAC is in charge of regulating and controlling the production, distribution, and sale of food goods in Nigeria as well as their importation, exportation, and marketing. NAFDAC, which was established to defend public health, makes sure that high-quality (safe, effective, and healthy) food products from all sources reach the market and, ultimately, Nigerian consumers. Its purview includes all regulated products (also known as regulated goods) used in Nigeria, including food, packaged water, pharmaceuticals, cosmetics, medical equipment, chemicals, and detergents. It must be noted that no food products may be produced, imported, exported, advertised, sold, distributed, or used in Nigeria unless they have first been registered in compliance with the NAFDAC Act. Nigeria is part of the ECOWAS regional economic body. ECOWAS is a customs union; therefore, a common external tariff is applicable to goods imported into Nigeria.

Developments

The SADC Fisheries Monitoring, Control and Surveillance Coordination Centre – set to enter into force in April 2023

Development within the SADC region are pointing towards collaboration on fisheries management. 2023 marked an important step within the SADC region. Members of SADC established the Fisheries Monitoring Control and Surveillance Coordination Centre (MCSCC). The agreement will only enter into force in April, 2023 as it reached the threshold required for the agreement to enter into force in March, 2023. The signing of the Charter establishing the SADC MCSCC by Botswana signaled the entry into force of the agreement. The MCSCC was established to coordinate regional fisheries MCS data and information sharing services, including a regional fishing vessel register and monitoring system; provision of regional fisheries surveillance, observer coordination, and support services for port State measures; provision of fisheries



law enforcement and legal support services; and assistance in boosting the capacity of national MCS systems. This initiative from SADC also serves to protect the market from illegal caught fish and seafood. Reducing the access of illegally caught fish into the region will assist exporters of fish and seafood into region with fair competition in the market. According to Stop Illegal Fishing, illegally caught fish usually sells at a lower price, therefore, creating unfair competition.

Activities Relating to WUSATA Events

WUSATA events or events that representation of WUSATA occurred, next steps

Africa Agri Tech (Pretoria, South Africa / March 14-16, 2023). The 2023 event had 20 exhibitors and 18 industry associations/ development agencies. The show was mainly in conference form with a small exhibition area. This included companies with technology for Precision farming, Soil testing and analysis, Crop and Water testing, Advisory Services, Market Access & Market Information, Agribusinesses, AI, Block chain, Internet of Things & Smart Devices, Drones, Geolocation, GPS, Mapping & Satellites, Farm Management, Financial Services, Banks, Investors & Insurance for farmers, assets & livestock, Forecasting & Monitoring, Novel Farming, Hydroponics & Urban Farming, Tractors, and Equipment. The show highlighted the developments in the Agri tech field as a number of local companies were present at the show with new technologies for farmers.

Staff attended: Brian Chipa and Sikhanyiso Mhaka.

Cannabis Expo 2023 (Cape Town, South Africa / March 24-26, 2023). The show had 200 exhibitors representing the entire cannabis industry, from cultivation and processing to medical and recreational products and services. The expo also included The Cannabis Food Market which featured a large range of cannabis products.

Staff attended: Zachary Zurba.

Upcoming Trade Shows

Agri – Africa Exhibition (KENYA)

Date: 9-12 May, 2023

Venue: Kenyatta International Conference Centre, (KICC) Nairobi, Kenya

Tel: +254 790 888 333

Website: <https://agriexpo.africa/>

Nigeria International Poultry and Livestock Expo (NIPOLI EXPO) (NIGERIA)

Date: 16- 18 May, 2023

Venue: International Conference Centre, U.I, Ibadan, Oyo State, Nigeria

Tel: +234 80 3191 9662

Website: www.nipoliexpo.com

Agro - Dairy & Poultry East Africa (UGANDA)

Date: 15-17 June, 2023

Venue: UMA Fairs Ground, Kampala, Uganda

Tel: +256 414-221034/+256 414-220285