

Trade in natural products: Market Access

Trichilia emetica Trichilia

The fruit nuts contain high proportions of rich and valuable oleic oils, saturated so as to produce a solid butter for use in cosmetics. The abundance of trichilia in the region also makes it attractive for potential use in industrial applications. Together, Mozambique, South Africa (SA), Malawi, Zimbabwe and Tanzania could sustainably supply 625,700 mt of trichilia fruit annually.

Trade information

There is potential demand for trichilia as a cosmetic, food and industrial ingredient. Potential and focus markets are: European Union (EU), United States (US), Japan and South Africa (SA). Potential demand exists in all major and minor developed and developing economies.

Tariff analysis

Since international trade in trichilia is still minimal, it needs to be regularized at some point. There are no specific tariff codes in

existence for the product but the following Harmonised System (HS) codes are considered the best fit.

Key market access issues that need to be addressed

- Residual tariffs on trichilia and its potential products in high value markets need to be negotiated away
- Tariff peaks are a potential problem for markets such as Japan
- Significant non-tariff barriers, such as cosmetic and novel food regulations may limit exports
- Documentation and customs clearance procedures for regional trade need to be streamlined
- Transit and freight charges pose problems for lower volume natural products
- Market requirements for packaging and labelling must be complied with

Product	HS Code	Market
Seed oil	120999	Pharmaceutical or cosmetic ingredient
Seed oil	121190	Pharmaceutical or cosmetic ingredient
Seed oil	15159040	Cosmetic ingredient
Seed oil	330190	Pharmaceutical or cosmetic ingredient
Food supplement	29369019	Food fortifier
Body cream Body butter	330499	Personal care
Soap	340120	Personal care
Tariff issues		Non-tariff issues
<ul style="list-style-type: none"> ■ Trichilia has no specific HS code, so current volumes of trade are difficult to measure. ■ All countries in the region have preferential duty free market access to the EU and US markets for trichilia products and by products. ■ The product and its derivatives have duty free market access in the region. ■ The Japanese market shows a tariff peak of 10.40yen/kg for trichilia seed oil. ■ Favourable tariffs are mostly in the form of non-reciprocal preferences such as the US African Growth Opportunity Act (AGOA) and the Cotonou Agreement with the EU. These need to be locked-in to promote investment in the sector. ■ The natural product sector can expect to find its margin of preference eroded in future trade negotiations and needs to develop its competitive edge accordingly. 		<ul style="list-style-type: none"> ■ Complex, overly protective and overlapping rules of origin could be a potential threat to market access and regional collaboration in the natural products trade. Cumulation between African Caribbean and Pacific (ACP) members in different Economic Partnership Agreement (EPA) with the EU is a potential concern as it relates to rules of origin. ■ As the trichilia trade increases, compliance with technical requirements and standards for target markets will become critical. ■ Harmonisation of custom procedures in the region is essential to the promotion of free and intra regional trade in natural products. ■ Trichilia seed oil may have to be registered as Cosmetic ingredient as per the EU Cosmetic Directive: 76/768/CEE, 1976 and as an industrial chemical under the EU's registration, evaluation and authorisation of chemicals (REACH) Directive: EC No 1907/2006. ■ Intellectual property management regimes should be monitored to ensure appropriate access and benefit sharing rights for ximenia products. ■ Trade facilitation issues such as availability and cost of containers and transshipment difficulties as well as poor infrastructure could discourage investment in the sector. ■ Variations in value added value (VAT) and slow tax rebates discourage regional collaboration for exports of trichilia.

For more information

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