



# Round Table: THE ECONOMICS OF GUM ARABIC IN AFRICA

**27 April 2018, 10 a.m.-1 p.m.**

**Palais des Nations, Room XXVI, Geneva, Switzerland**

## Executive Summary

The “Round Table: The Economics of Gum Arabic in Africa” was held on 27 April 2018, at the Palais des Nations, in Geneva, Switzerland. It was convened by the Commodities Branch of UNCTAD and attended by over 90 participants, including representatives from 33 Permanent Missions to the United Nations Office in Geneva, 24 private sector entities, and 11 civil society and international organizations.

The round table was opened by Janvier D. Nkurunziza, Chief, Commodity Research and Analysis Section of UNCTAD, and chaired by His Excellency Mr. Kamal Gubara, Ambassador and Deputy Head, Permanent Mission of the Republic of the Sudan to the United Nations Office and other international organizations in Geneva. The meeting consisted of three main parts: first, a presentation of the report “Commodities at a Glance: Special Issue on Gum Arabic”, by Mario Jales, Economic Affairs Officer, Commodities Branch, UNCTAD; second, panel presentations by experts from four producing countries (Chad, Mali, Nigeria and the Sudan) and one representative from the Association for International Promotion of Gums (AIPG); and third, an interactive discussion with the audience.

The presentation of UNCTAD’s report examined the economic, social and environmental relevance of the gum arabic sector, and emphasized its significant developmental potential, given that many producers are among the most vulnerable groups in some of the poorest countries in the world. Mario Jales underscored the importance of gum arabic both in the context of the Sustainable Development Goals (SDGs) and in terms of its desirable properties, functions and industrial applications. He presented key results from the trade dataset compiled for the report, including the strong growth rates in trade volumes and values in 1992–2016 and the high levels of concentration that characterize both the crude and processed gum arabic market segments. Mr. Jales assessed key policy issues for the gum arabic sector, including the need to generate consistent data, upgrade producers’ skills, promote secure land tenure systems, increase the market power of producers, foster product differentiation and value addition, bolster profitability, achieve gender equality, mitigate and adapt to climate change, and ensure political and supply stability.

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Panel of the Round Table: The Economics of Gum Arabic in Africa

The panel discussion addressed challenges and opportunities in gum arabic producing countries, as well as the role of the private sector. The panellists from Chad, Mali, Nigeria and the Sudan provided a detailed account of the gum arabic sectors in their respective countries. In addition, the panellist from Chad, Ali Annadif, Vice President of the National Council of Chadian Employers (CNPT), remarked that gum arabic suffers from a communication problem and that the round table provided stakeholders with a unique opportunity to raise awareness about the importance of the sector. He also underscored the need to formalize the solidarity between gum arabic producing countries through the creation of an association.

The panellist from Mali, Mohamed Sidibé, National Coordinator of the Enhanced Integrated Framework (EIF) implementing unit in Mali, noted that the sector has long suffered from the limited interest of development institutions, and stated that the UNCTAD report filled an important gap in terms of data availability in the sector. He also highlighted that the development of the gum arabic sector in Africa could play an important role in addressing the cross-Mediterranean migration crisis, as a large share of migrants originate from regions rich in acacia resources, but currently underdeveloped and hence with limited employment opportunities. The panellist from Mali seconded Chad's invitation for all gum producing countries in Africa to form an association to promote common interests.

Tunde Mustapha, Minister at the Permanent Mission of the Federal Republic of Nigeria to the United Nations Office and other international organizations in Geneva, noted a sharp drop in Nigerian gum arabic production starting in 2009, due to the Boko Haram insurgency. He highlighted the importance of promoting regional stability, encouraging plantations through a dedicated fund for farmers, improving yields through the expansion and sharing of scientific knowledge, encouraging local processing and product development, and creating commodity and producers' associations at the local and international levels.

Abdelgader Abdelmaged, President of the Gum Arabic Board of the Sudan, highlighted the importance of acacia tress as a source not only of gum arabic, but also of feed, wood, firewood and environmental services. He also stressed the need for the rejuvenation and modernization of the sector, as most producers are advanced in age and use obsolete production methods. Dr. Abdeldgader emphasized that gum arabic should not be considered as an agricultural product, but instead as an environmental product.

Thorsten Hauser, Treasurer of AIPG, underscored the substantial transformation in the status of gum arabic in recent decades, from a simple gelling or thickening agent to being considered a dietary fibre, low caloric value and desirable properties as a prebiotic, an additive and an ingredient. To make gum arabic a sustainable success story, however, Mr. Hauser remarked that stakeholders must not only ensure stable supply, but also reliable quality standards, and the potential to further increase supply to meet increased demand.

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The discussion with the audience commenced with the intervention of His Excellency Dr. Mustafa Osman Ismail Elamin, Ambassador, Head of the Permanent Mission of the Republic of the Sudan to the United Nations Office and other international organizations in Geneva and Coordinator of the African Group at UNCTAD. He congratulated UNCTAD for the very important meeting and concurred with the views and recommendations presented in the report. He also called on UNCTAD and gum arabic users to help producing countries realize the full potential from their gum arabic resources. Nine Permanent Missions (Chad, Côte d'Ivoire, Ethiopia, Mali, Morocco, Nigeria, Senegal, the Sudan and the United Republic of Tanzania) made formal declarations and aligned themselves with the African Group and the suggestion to create an association of gum arabic producing countries in Africa. Interventions were also made by representatives from the African Union, International Trade Centre (ITC) and the private sector.

## Recommendations

Participants agreed on nine concrete recommendations emanating from the presentations and discussions:

1. To produce more research on gum arabic in order to promote it and to make it more widely known;
2. To study price formation in the gum arabic value chain;
3. To continue work towards having gum arabic classified as a prebiotic;
4. To improve the quality and stability of supply and assist small producers with training and technology;
5. To consider modalities for funding for producers and exporters, including by learning from some country experiences;
6. To foster domestic transformation and make producers benefit more fairly from this commodity;
7. To go beyond transformation and into marketing, branding, and other value addition activities;
8. To organize a forum where all stakeholders could discuss the issues that arose during the present round table and chart a way forward (with the sponsorship of a Member State and the technical support of UNCTAD);
9. To create an association of gum arabic producing countries in Africa, under the auspices of UNCTAD or another international organization.

## Programme

### 10:00–10:15 Opening session

**Opening statements:** Mr. Janvier Nkurunziza, Chief, Commodity Research and Analysis Section, Commodities Branch, DITC, UNCTAD

**Chair:** H.E. Mr. Kamal Gubara, Ambassador, Deputy Permanent Representative, Permanent Mission of the Republic of the Sudan to the United Nations Office and other international organizations in Geneva

### 10:15–10:35 Report presentation: "Commodities at a Glance: Special Issue on Gum Arabic"

**Presenter:** Mr. Mario Jales, Economic Affairs Officer, Commodity Research and Analysis Section, Commodities Branch, DITC, UNCTAD

### 10:35–11:25 Panel discussion

**Panellists:** Mr. Ali Annadif, Vice-Président, Conseil National du Patronat Tchadien

Mr. Mohamed Sidibé, Coordonnateur National, Unité de mise en œuvre du Cadre Intégré Renforcé au Mali

Mr. Tunde Mustapha, Minister, Permanent Mission of the Federal Republic of Nigeria to the United Nations Office and other international organizations in Geneva

Dr. Abdelmaged Abdelgader, Secretary-General, Gum Arabic Board of the Sudan

Mr. Thorsten Hauser, Treasurer, Association for International Promotion of Gums

### 11:25–11:40 Reactions of panellists

### 11:40–12:50 Interactive discussions

### 12:50–13:00 Summary and closing remarks

#### For more information, please contact the Commodities Branch:

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