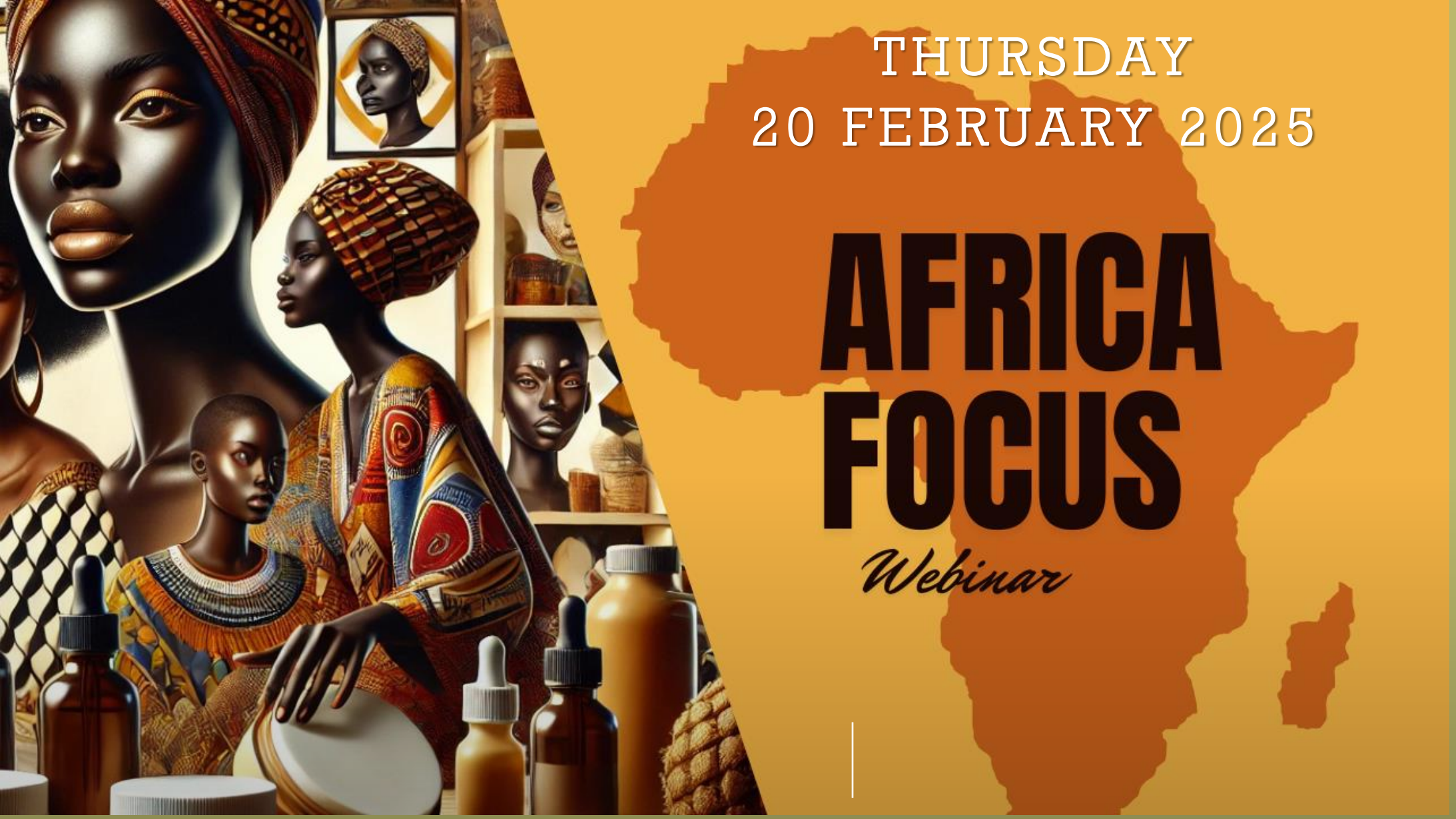


THURSDAY
20 FEBRUARY 2025

AFRICA FOCUS

Webinar

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• Conduct Rules

- **Microphones must be kept on mute, unless you are speaking.**
- **The video option must be kept off. You are welcome to turn on your video when you are speaking.**
- **Your questions will be addressed after the session in the Q&A slot. You are welcome to leave your question or comment in the 'chat' or use the 'raised-hand' icon. Please introduce yourself before proceeding with your question. Once your question has been addressed, please deactivate the 'raise-hand' icon.**
- **Recording of the webinar is not permitted .**
- **If you experience any technical difficulties during the webinar, please contact Samantha – samantha@ctfa.co.za.**
- **After the training, you are welcome to contact Samantha, if further support for notes is required.**
- **A copy of the presentation will be supplied in pdf format after the training.**
- **Please take a few minutes to complete a survey at the end of the webinar.**
- **Please put your video on at the end of the session for a screenshot.**

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AFRICA FOCUS WEBINAR

- Introduction
- South African exports
- New growth areas
- Countries in the spotlight
- Potential costs
- Harmonisation
- Free trade
- CTFA Africa Committee
- Discussion/insights/questions

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• Introduction

CTFA's Vision and Mission

"To support and develop a sustainable and respected South African Cosmetic Industry by ***proactively stimulating actions and developing tools that contribute to its growth and the progress*** *of its Members' while promoting consumer safety."*

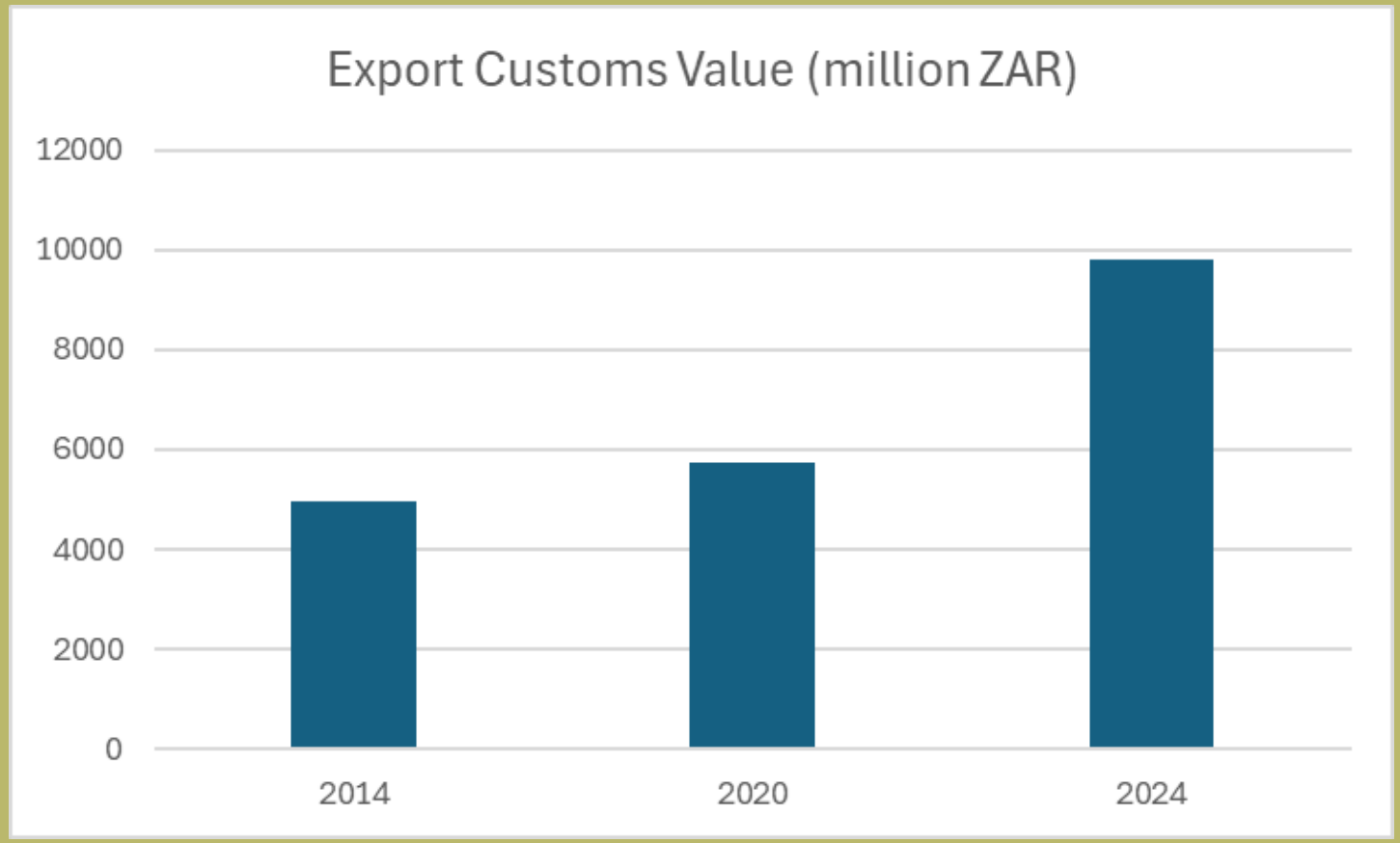
CTFA's Key Roles

- Focus on issues and activities important to Members…
- Create the most favourable economic and regulatory environment…
- Align and optimise…
- Enhance the value … by addressing their local/international needs…

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- South African exports to Africa

HS 33 and beverage syrup

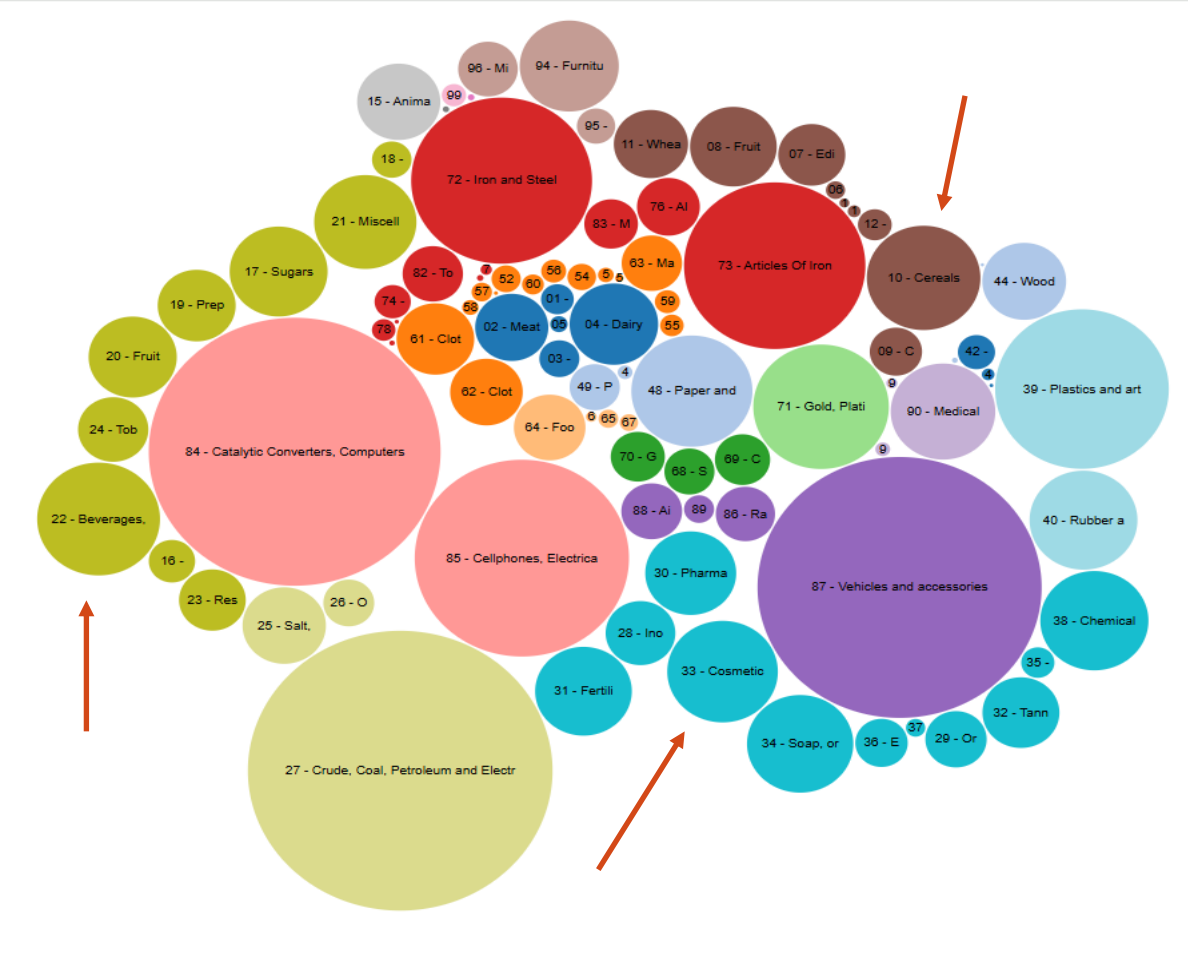


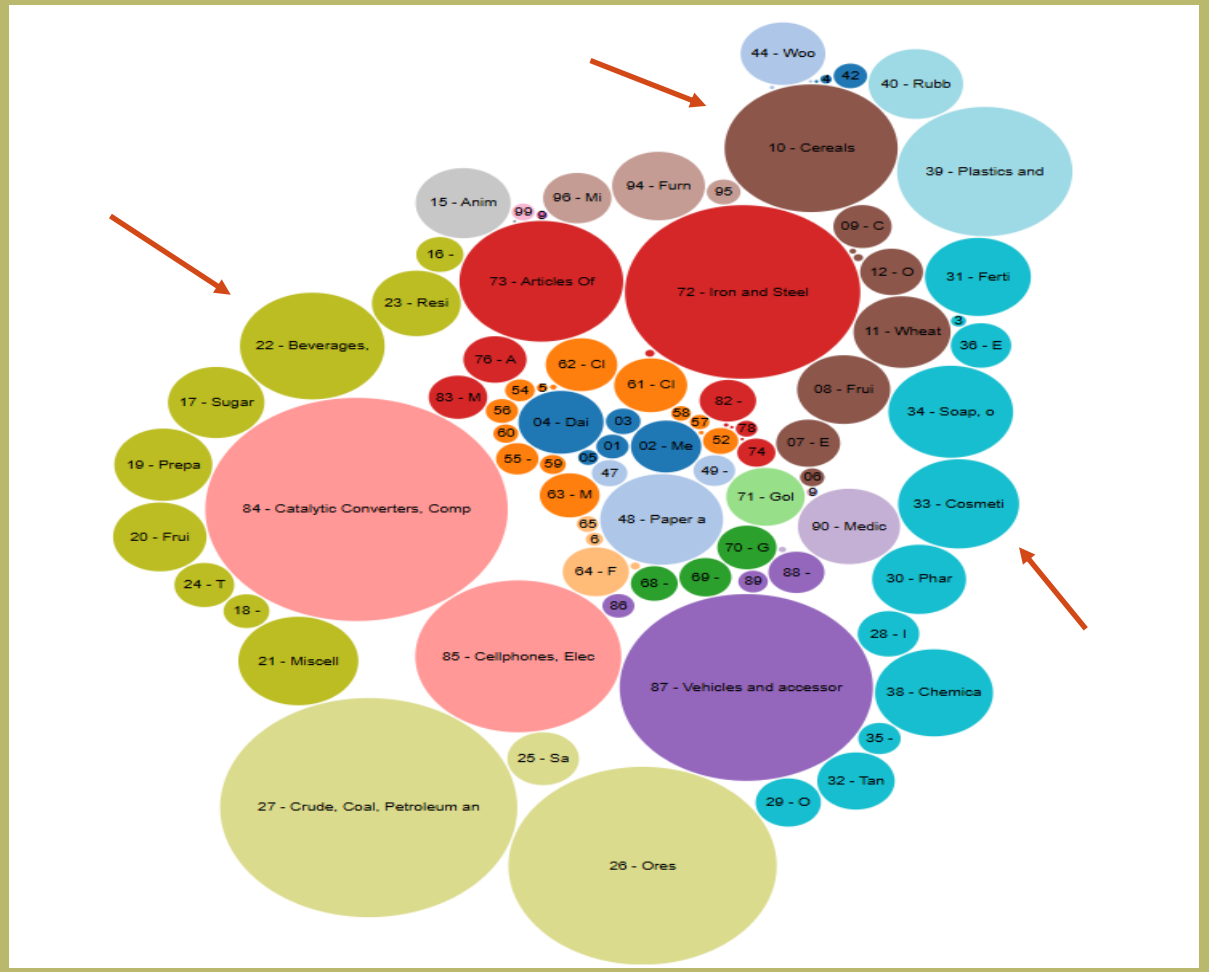
… an awakening to African markets/operating costs?

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• South African exports to Africa - all





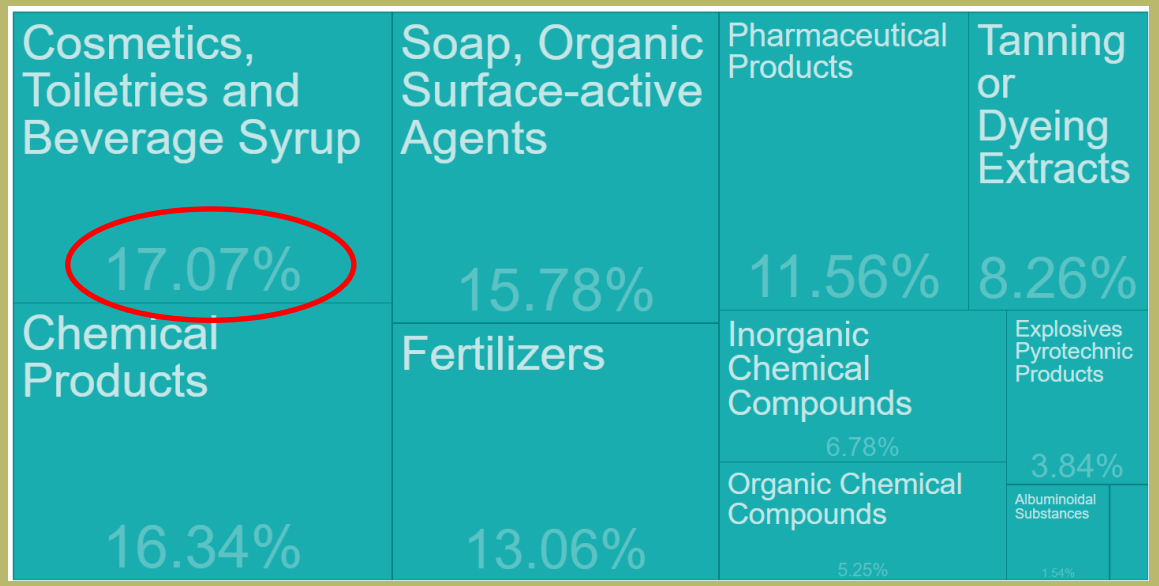
2014

2024

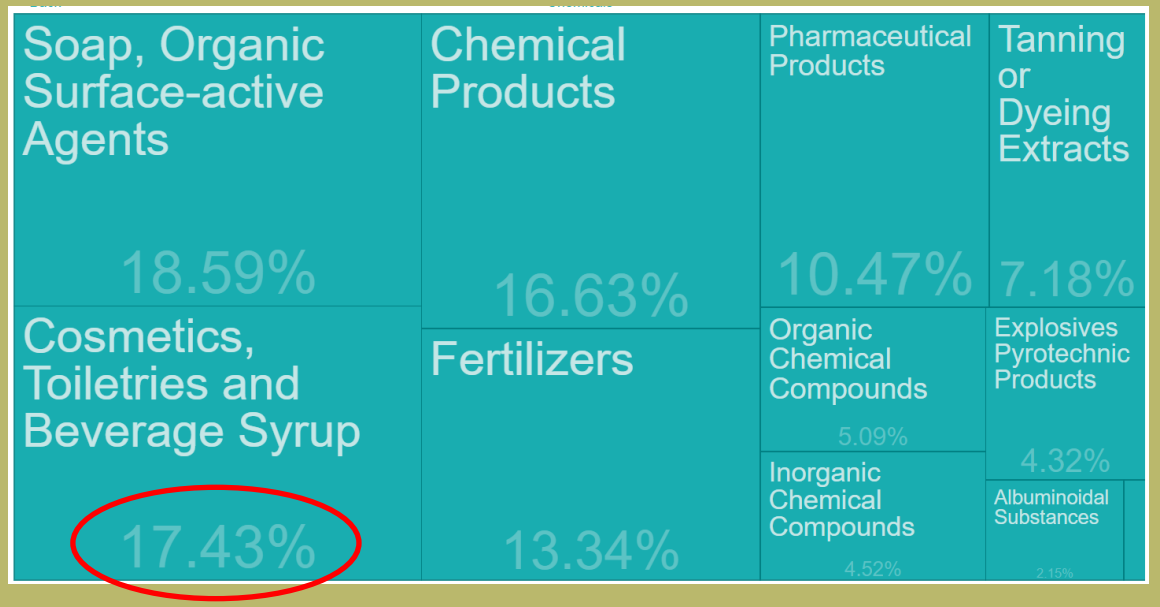
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• South African exports to Africa - chemicals



2014

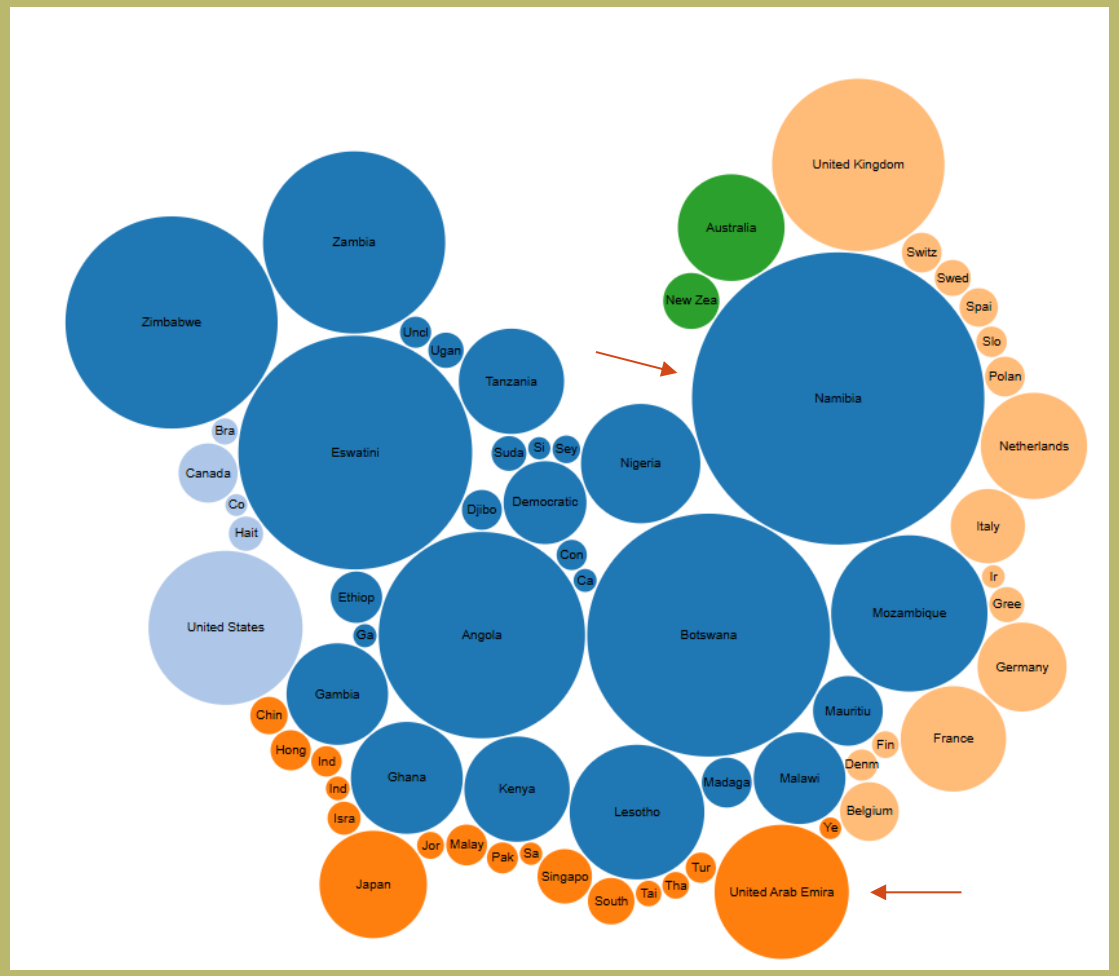


2024

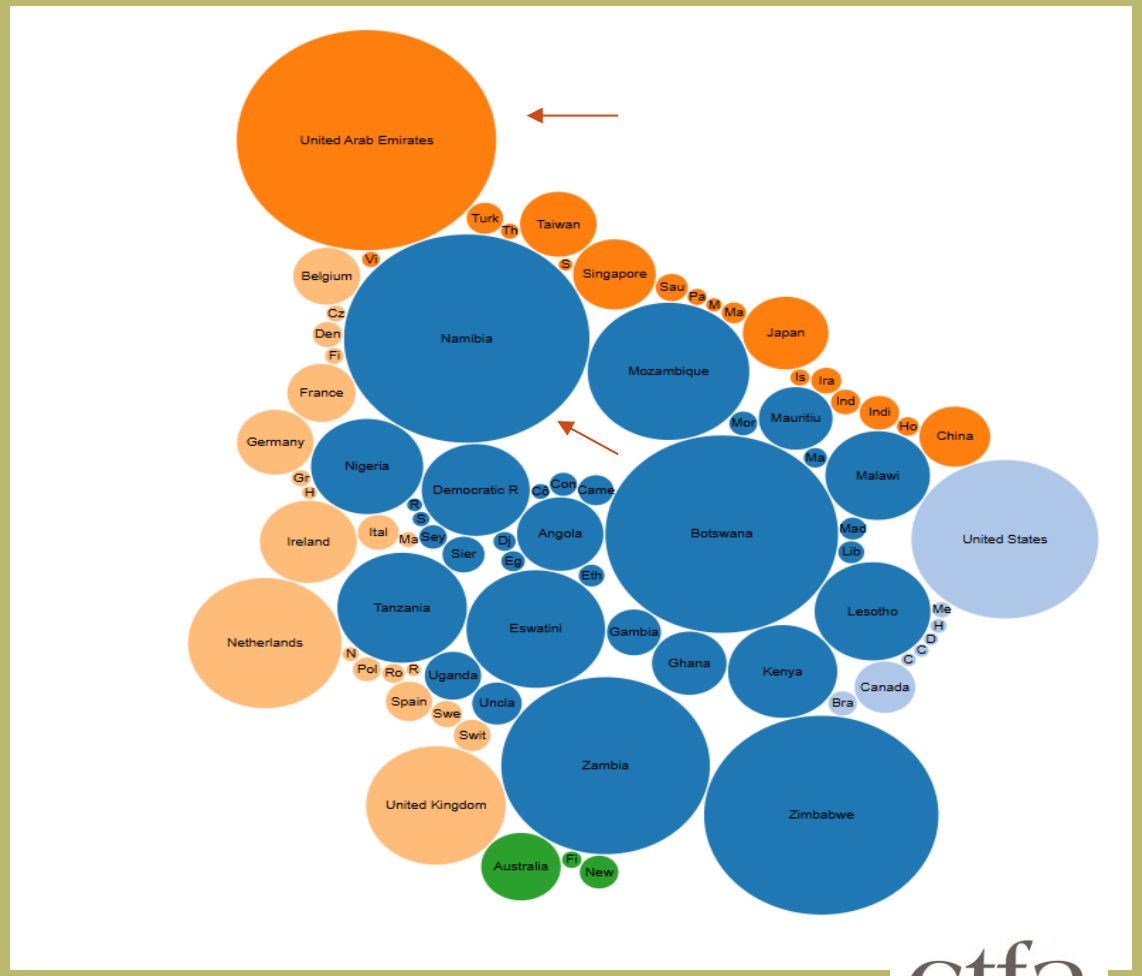
SARS

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• South African cosmetic exports to the world



2014



2024

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- New growth areas



Biodiversity

E-commerce and social media



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- Countries in the spotlight



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•Countries in the spotlight - Namibia



- **Similar legislation to that of South Africa due to the historical link, but there is divergence**
- **The Foodstuffs, Cosmetics and Disinfectants Ordinance was only relevant in certain provinces, but was made a national act, by the Health Act in 1988**
- **Cosmetic - any article or substance (except a medicine as defined in the Medicines and Related Substances Control Act, 1965 (Act 101 of 1965)) intended to be rubbed, poured, sprinkled or sprayed on or otherwise applied to the human body for purposes of cleansing, beautifying, promoting attractiveness or improving or altering the appearance, and includes any part or ingredient of any such article or substance**
- **Consolidated Regulations cover cosmetics to a certain extent such as: ointment; creams; powders; toothpaste; toothpowders; mouthwashes**
- **Soap; hair lotion; vanishing cream; rosewater ointment; etc. are considered exempt "drugs"**

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•Countries in the spotlight - Botswana



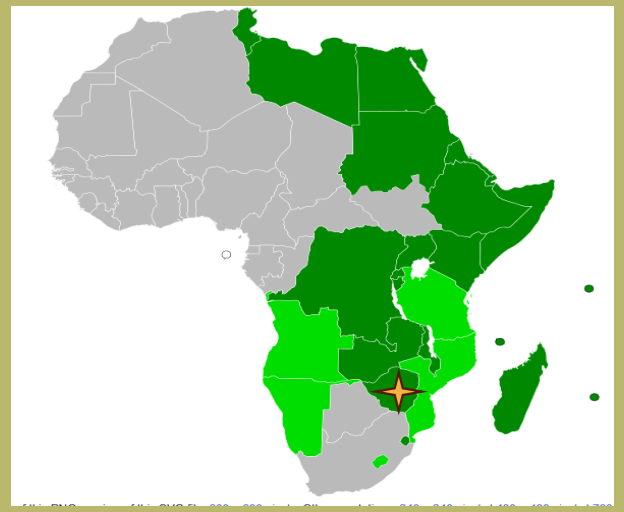
- **Botswana Medicines Regulatory Authority**
- **Exempt from registration – no authorisation/pre-approval before import/sale**
- **Listing requirement ongoing despite development of draft Guideline**
- **Requirements as per the draft Guideline expected to come into force during 2025**

- **Cosmetic - (a) any substance or mixture of substances manufactured, sold or represented for use by rubbing, pouring, spraying, or applying by any other means to the human body, for the purpose of cleansing, beautifying or altering the appearance; or (b) any article intended for use as a component of a cosmetic;"**
- **Considered based on the mode of application and the purpose – limited to topical application and oral cavity; not ingested, injected, fed intravenously or inhaled**
- **Responsible Person/Cosmetic Notification Holder distinction; English labelling; GMP encouraged; restrict IP-related labelling; align to updated EU Annexes; DoMD (batch number and expiry/PAO); proposals on claim section; portal update and training needed; PIF to be kept by person; endorsements and advertising; licensing and listing requirements**

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•Countries in the spotlight - Zimbabwe





- **Medicines Control Authority of Zimbabwe**
- **Two versions of draft Regulations; quite aligned to SA draft Regulations**
- **Cosmetic - any substance or mixture intended to be placed in contact with the external parts of the human body (epidermis, hair system, nails, lips and external genital organs) or with the teeth and the mucous membranes of the oral cavity; which may be applied on the body by means of rubbing, pouring, steaming, sprinkling, spraying or otherwise; that may be used for cleaning, beautifying, perfuming, changing the appearance, promoting attractiveness, protecting, keeping in good condition or correcting body odours on the external parts of the human body or otherwise; excluding anything intended beside the above purposes, for use in the diagnosis, treatment or prevention of diseases and those intended to affect the structure or any function of the body**
- **Two categories and indicative lists – different requirements: basic or elementary properties versus specific indications**
- **Distinctions needed: Responsible Person/Authorised Person; cosmetic/new cosmetic; undesirable events/effects**
- **DoMD; alignment to EU Annexes; broad powers; restrict IP-related labelling; references to medical practitioners; clarification of ingredients section – composition section already present; inspection fees**

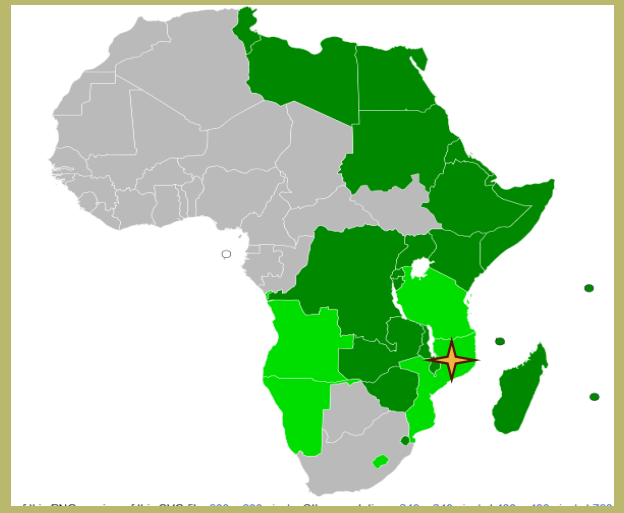
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•Countries in the spotlight - Mozambique

- **INNOQ, IP is the National Standards Body**
- **March 2022: the Standardisation and Conformity Assessment Regulation was approved**
- **Products in annexes on the List of Mandatory Control Products must be subject to conformity assessment in the country of origin before being exported**
- **List updated in 2024/5**



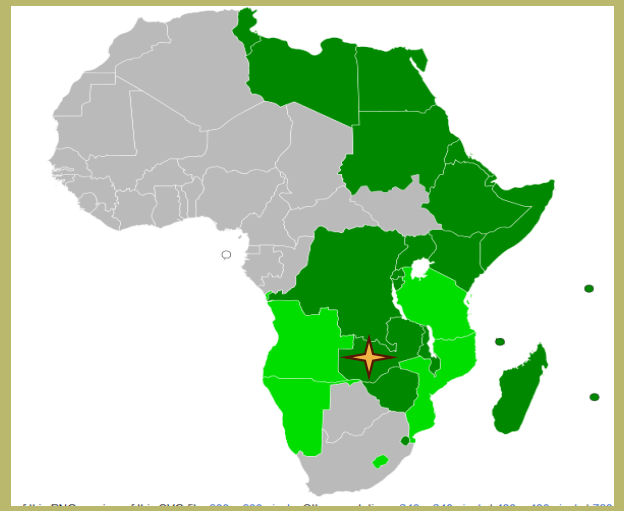
- **Cosmetics are not on the list of mandatory control products, but may be included in the next phases**
- **Currently, cosmetics are considered under the authority of the Ministry of Health**



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•Countries in the spotlight - Zambia





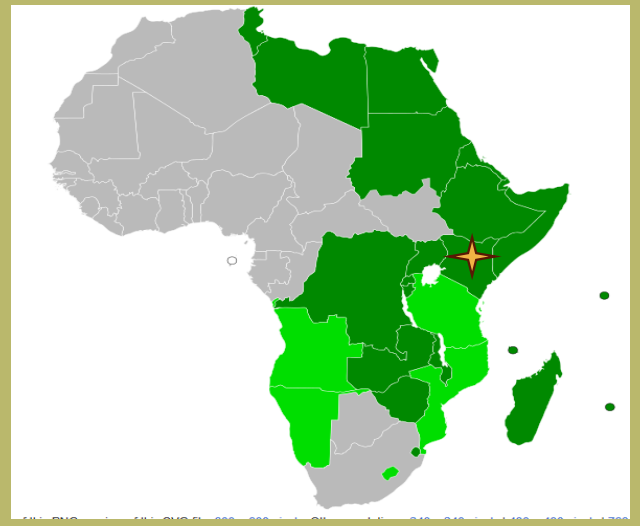
- **Zambia Medicines Regulatory Authority (ZAMRA) is responsible for the regulation and control of medicines and allied substances including regulating and controlling their manufacture, importation, exportation, distribution and sale; establish, maintain and enforce standards relating to the manufacture, importation, exportation, distribution and sale of medicines and allied substances; serve and protect the public interest in all matters relating to the sale of medicines and allied substances among other things**
- **Cosmetics are considered as allied substances under the Act.**

- **Guidelines came into force on 9 September 2024 – implementation of regulations began**
- **Up to 24 month grace period for listing existing and new cosmetics on the market**
- **Cosmetic - any substance manufactured or sold for use in cleansing, beautifying or altering the hair, eyes, teeth, nails or the skin – categories provided under section 2 and includes deodorants and perfumes**

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•Countries in the spotlight – Kenya





- **Different types of cosmetics are regulated differently in Kenya – KEBS and PPB**
- **Draft Guideline for Regulation of Cosmetic Products was released in 2024 for comment (PPB)**
- **Different definitions for "cosmetics"; possibly three classes of cosmetics will be regulated:**
  - **cosmetics with medical/therapeutic claims;**
  - **special cosmetics – while making no explicit medical claim, are marketed with claims promises to deliver for preventing or interfering with normal operation of a physiological function whether permanently temporarily or whether by way of terminating, reducing, postponing or increasing or accelerating operation of the functions in human beings"; and**
  - **general cosmetics**

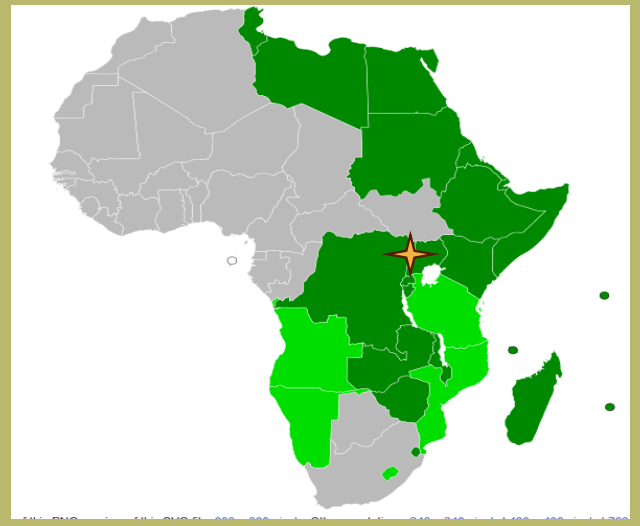
- **Kenya and other East African Community countries -**

Democratic Republic of the Congo; Burundi; Rwanda; Somalia; South Sudan; Uganda; Tanzania - also make use of standards to regulate cosmetics and include mandatory product specifications.

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•Countries in the spotlight – Rwanda





- **New Guidelines have been revised – awaiting update from the RFDA for engagement**
- **The intention is to align to EAC countries**
- **Regulations were to be developed and engaged on in the second quarter of 2024 (awaited)**
- **Only "medicated cosmetics" are supposed to be regulated by RFDA.**

- **Cosmetic - any substance or preparation intended to be placed in contact with the various external parts of the human body (including epidermis, hair system, nails, lips and external genital organs) or with the teeth and the mucous membranes of the oral cavity with a view exclusively or mainly to cleaning them, perfuming them, changing their appearance or correcting body odours, protecting them or keeping them in good conditions**
- **Medicated cosmetics or cosmeceuticals are products that have both cosmetic and therapeutic effects, and are intended to have a beneficial effect on skin health and beauty. They are applied topically but contain active ingredients that have an effect on skin cell function. In some cases, their action is limited to the skin surface (such as exfoliants), while others can penetrate to deeper levels, either enhancing or limiting normal skin function."**

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•Countries in the spotlight – Ghana



- **Public Health Act - Cosmetics and Household Substances Department**
- **Requirements include: registrations; re-registrations; market authorisation; labelling regulations; shelf-life requirements; etc**
- **Guidelines to be complied with include requirements for CoAs, English labelling**



- **Cosmetic - includes a substance or mixture of substances manufactured, sold, or represented for use in cleansing, improving or altering the complexion, skin, hair, eyes or teeth and includes deodorants and perfumes**

- **Any product, that is intended to treat, prevent or alleviate disease, defects, injuries or is otherwise intended to affect the structure or functions of the human body, and which contains ingredients which may have therapeutic effects shall be considered to be a drug and shall, therefore, have to comply with the drug provisions and regulations and be registered as a drug**

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•Countries in the spotlight – Nigeria



- **The National Agency for Food and Drug Administration and Control (NAFDAC) regulates cosmetics stringently, as provided for by the NAFDAC Act and other legislation: import; manufacturing; distribution; advertisement; registration; and licensing are regulated, for example**
- **Cosmetic labelling and cosmetic advertising regulations must also be complied with**
- **A draft Regulation that was developed in 2023 is still being considered**



The following categories of cosmetics are likely to apply:

- **skin care; oral care; sun care; hair care; decorative cosmetics; body care; perfumes; and any other classification as the Agency may prescribe**

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• Potential costs

Country	Road TPT	Port	Customs	Testing	Business Reg	Product Licensing /Reg	Insurance	W/house	VAT/GST	Duties / Tariffs	Inspect	Document	Brokerage	Handling	Env and Social	TOTAL	TOTAL No ongoing reg and licensing/ listing	**Cost minus TPT minus regulator (regulator charges as a percentage of this new total)**
Namibia	3500	1000	2000	1500	2500	3000	1200	1000	1500	2000	800	500	1000	700	1200	23400	**17900**	**14400 (+38%)**
Botswana	2000	800	1800	1200	2000	2500	1000	900	1200	1800	700	400	900	600	1000	18800	**14300**	**12300 (+37%)**
Zimbabwe	3000	900	2200	1700	2200	2800	1100	1000	1700	2200	800	500	1000	700	1100	22900	**17900**	**14900 (+34%)**
Mozambique	2500	1100	2100	1600	2300	2900	1200	1100	1600	2100	900	600	1100	800	1200	23100	**17900**	**15400 (+34%)**
Kenya	7500	1500	3000	2000	3000	3500	1500	1500	2000	3000	1200	700	1500	1000	1500	34400	**27900**	**20400 (+32%)**
Rwanda	7000	1400	2800	1900	2800	3200	1400	1400	1900	2800	1100	600	1400	900	1400	32000	**26000**	**19000 (+32%)**
Ghana	8000	1600	3200	2100	3200	3600	1600	1600	2100	3200	1300	800	1600	1100	1600	36600	**29800**	**21800 (+31%)**
Nigeria	8500	1700	3300	2200	3300	3700	1700	1700	2200	3300	1400	900	1700	1200	1700	38500	**31500**	**23000 (+24%)**
Zambia	4000	1200	2500	1800	2600	3100	1300	1200	1800	2500	1000	600	1200	800	1300	26900	**21200**	**17200 (+33%)**

Multiple references on request

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- Potential costs

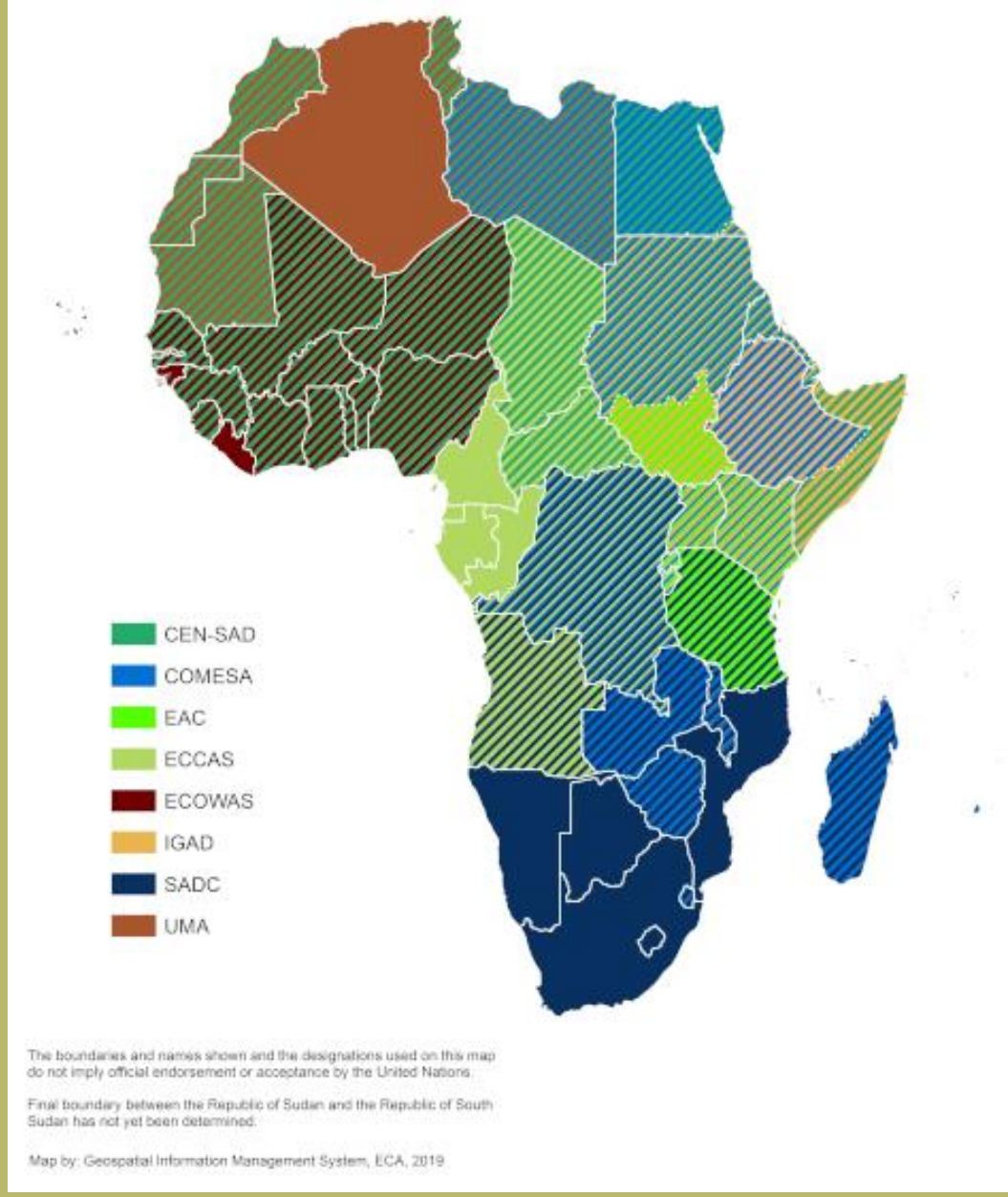
Assumptions

- average fuel prices and distance from South Africa to each country;
- moving a medium-sized shipping container;
- average costs for cosmetic product testing;
- typical storage fees;
- average rates for insuring international shipments;
- average VAT/GST rates for imported goods;
- import duties and tariffs were based on the product's HS code;
- mandatory inspections by local authorities;
- preparing and processing necessary shipping and customs documents;
- customs brokers fees for handling the clearance processes;
- charges for loading and unloading the container at various points in the supply chain;
- costs associated with meeting local environmental and social standards;
- fees for registering a company with the local cosmetics regulator; and
- fees for licensing, registering, or listing the cosmetic product with the local authority.

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•Harmonisation

- **Regional Economic Communities (RECs)**
  - **Eight in Africa**
  - **Some countries have multiple REC memberships**
- **African Organisation for Standardisation**
  - **Standards**
  - **Conformity Assessment**
  - **Mutual Recognition Agreements**
  - **TC40: Cosmetics and Personal Care Products**
    - **Product-specific (vertical) standards / product specifications versus general/overarching (horizontal) standards**
    - **South Africa's current work and mandate**



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•Continental free trade - AfCFTA



- **Trade Agreements**
  - **Preferential Trade**
  - **Free Trade (e.g. TFTA; AfCFTA)**

- **Creates a single market for goods and services in Africa**
- **Economy of scale; competitiveness; market access; climate benefits**
- **Expedites continental integration and enhances trade, investment**
- **Harmonises trade regimes**
- **Establishes a single rule book**
- **Reduces barriers to trade**
- **Based on development integration**
- **Recognises different levels of development**
- **Existing intra-Africa RECS and trade agreements (e.g. TFA) recognised as building blocs.**
- **Key principles : reciprocity and variable geometry**

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• CTFA Africa Committee

- **Focused Platform - supporting the South African cosmetic industry who export to various African countries**
- **Promoting fair trade and regulatory alignment**
- **Activities and decisions made collectively in the interest of the CTFA, its members and the South African cosmetic industry**
- **Member expertise in regulatory/ policy/ trade aspects across the African Continent**
    - **Personal Knowledge, qualifications, expertise and relevant experience**

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- Q & A

- Poll

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THANK YOU FOR JOINING!



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