



International
Trade
Centre



MADE BY AFRICA

CREATING VALUE THROUGH INTEGRATION



INFANT FOOD



Value chain overview: **Infant food**

Africa **imports infant foods** worth **\$709.2 million**, projected to increase by more than **70% by 2027**



Africa **exports in infant food inputs** worth **\$16.1 bn**



Africa runs a **-\$600.9 million trade deficit** for infant foods



..... an opportunity for adding value to multiple regionally available raw commodities

The sector is **strategically important: for agribusiness development, food security and infant nutrition**

The sector comprises a high share of **SMEs and women employees**



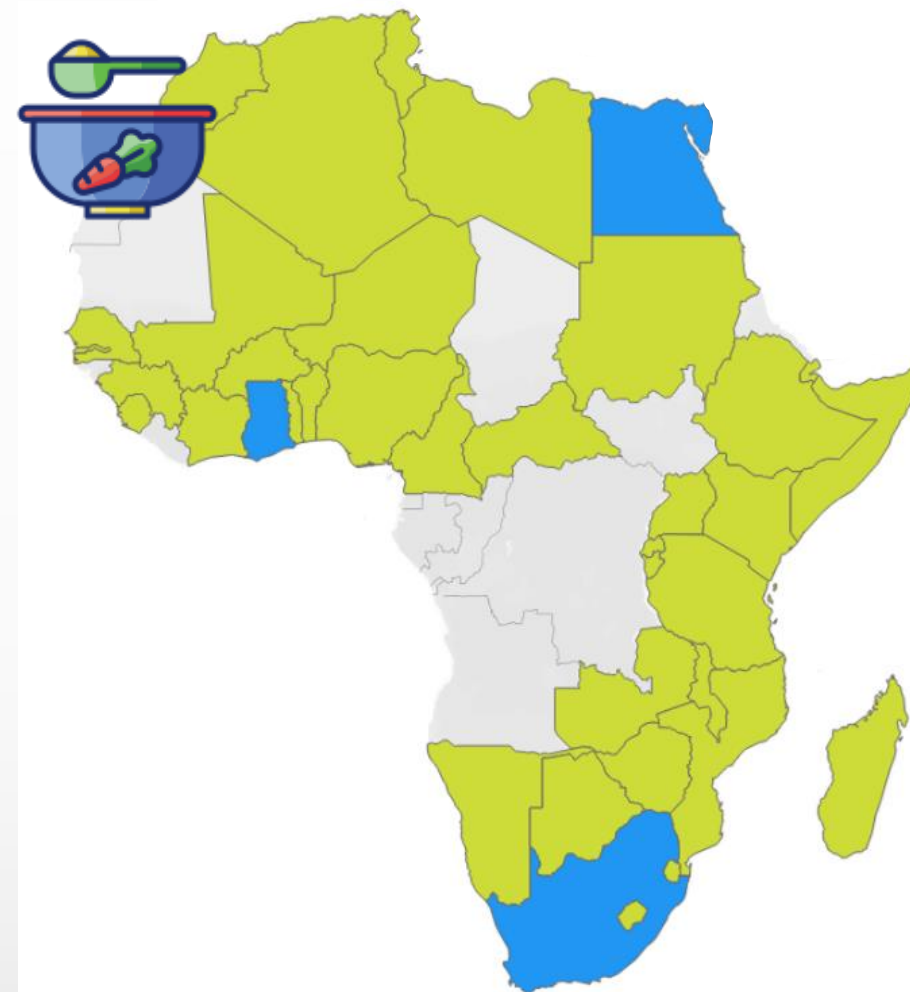
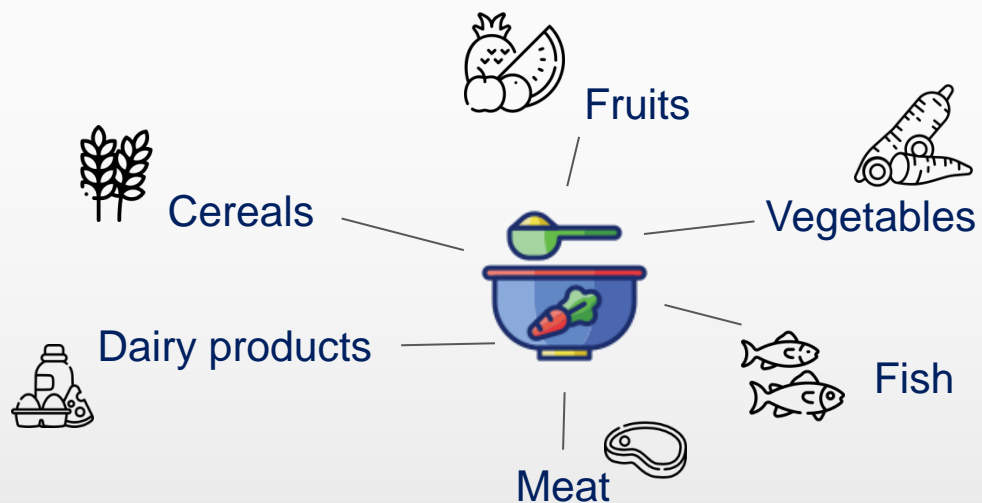
Mapping the **infant food** value chain

The infant food value chain brings together...

- ✓ **5** sub-regions with potential
- ✓ **3** competitive exporters of the output
- ✓ **39** competitive exporters of the inputs, among them 23 LDCs

...and encompasses

- ✓ **224 inputs**, including...



Inputs into preparations of meat, vegetables and fruits

INGREDIENTS



+ 14 more

Fruits & vegetables

- ✓ RCA at continental level
- ✓ 17 countries are potential input providers*



+ 15 more

Fish & shellfish

- ✓ RCA at continental level
- ✓ 18 countries are potential input providers*



+ 1 more

Meat

- ✗ RCA at continental level
- ✓ 4 countries are potential input providers*



+ 13 more

Nuts

- ✓ RCA at continental level
- ✓ 16 countries are potential input providers*

African imports: \$32.8 million
 Projected imports by 2027: \$52.9 million
 Trade balance: -\$21.5 million



Share of inputs sourced from Africa by African producers: **12%**



* Potential input providers: RCA or export potential > \$10m, AND a positive trade balance (except packaging)
 The flags of potential input providers are presented in decreasing order of RCA

PACKAGING

Cartons

- ✗ RCA at continental level
- ✓ 5 countries are potential input providers*



+ 2 more

Lids

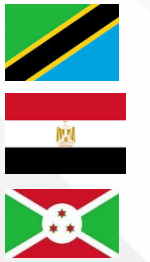
- ✗ RCA at continental level
- ✓ 4 countries are potential input providers*



+ 1 more

Jars

- ✗ RCA at continental level
- ✓ 8 countries are potential input providers*



+ 5 more

Example: A healthy nutrition for African children based on local produce



Developed by African producers of infant foods

CEREALS

Millet

- ✓ RCA
- ✓ 11 countries are potential input providers*



+ 8 more

Sorghum

- ✓ RCA
- ✓ 4 countries are potential input providers*



+ 1 more

Rice

- ✗ RCA
- ✓ 1 country is a potential input providers*



PULSES

Black eyed peas

- ✓ RCA
- ✓ 13 countries are potential input providers*



+ 10 more

Soy

- ✗ RCA
- ✓ 10 countries are potential input providers*



+ 7 more

Peanuts

- ✗ RCA
- ✓ 3 countries are potential input providers*



ENHANCING THE NUTRITIONAL VALUE

MICRONUTRIENT POWDER

- ✓ Recommended as an infant foods supplement (WHO)
- ✓ Imported mostly from **India, Malaysia and Turkey.**
- ✓ Manufactured in **South Africa, Namibia**

SUPERFOOD MIXES

Spirulina

- ✓ Under clinical trials to demonstrate effectiveness as an infant foods supplement (U.S. National Library of Medicine)
- ✓ Grown in **Egypt, Sudan, Ethiopia, Kenya, Tanzania, Botswana, Chad ...**

Moringa

- ✓ Clinically shown to be a beneficial infant foods supplement (NCBI)
- ✓ Grown in **Ethiopia, Kenya, Namibia, Angola, South Africa, Sudan, Somalia, Senegal ...**



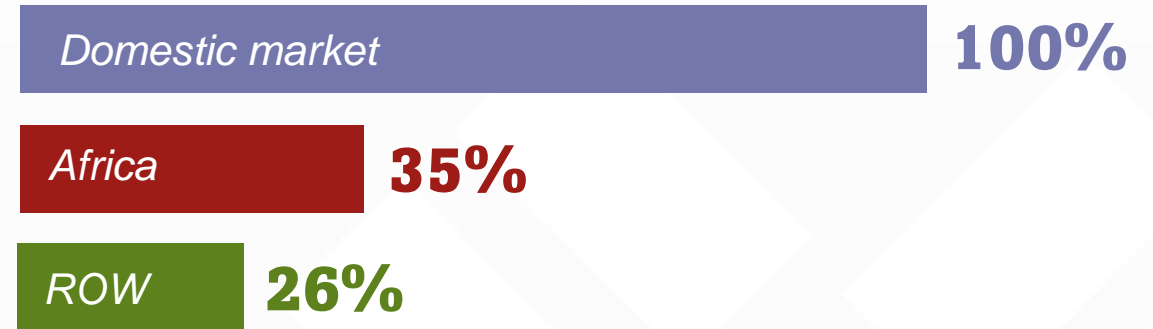
Baby/processed food

Selected insights from the survey of value chain participants in Africa

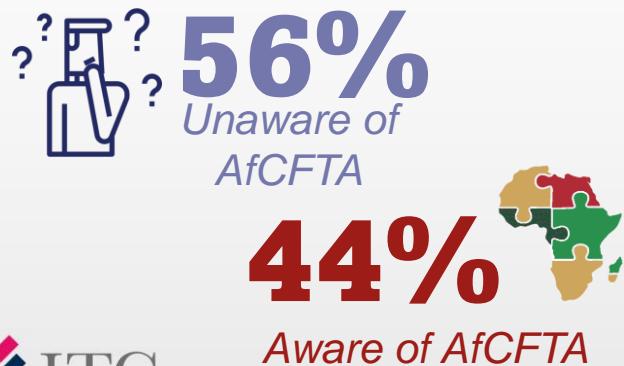
Most of the company's sales are in the domestic market



All companies sell at their domestic markets, few export



Half of the companies are not aware of AfCFTA



Only a fraction of companies have participated in AfCFTA related consultations



Companies that have participation in AfCFTA consultations. 92% have not participated in any.

Majority expect benefits from the continental trade agreement





Baby/processed food

Selected insights from the survey of value chain participants in Africa

Only a fifth of the companies have foreign presence



20%

Companies with foreign affiliates or production plants

80% are entirely domestic based

Over half of the companies plan to expand production in African countries



55%

Companies planning to expand production in other African countries

Most firms are fully domestically owned

Fully locally owned

73%

12%

Up to 50% owned by foreign partner(s)

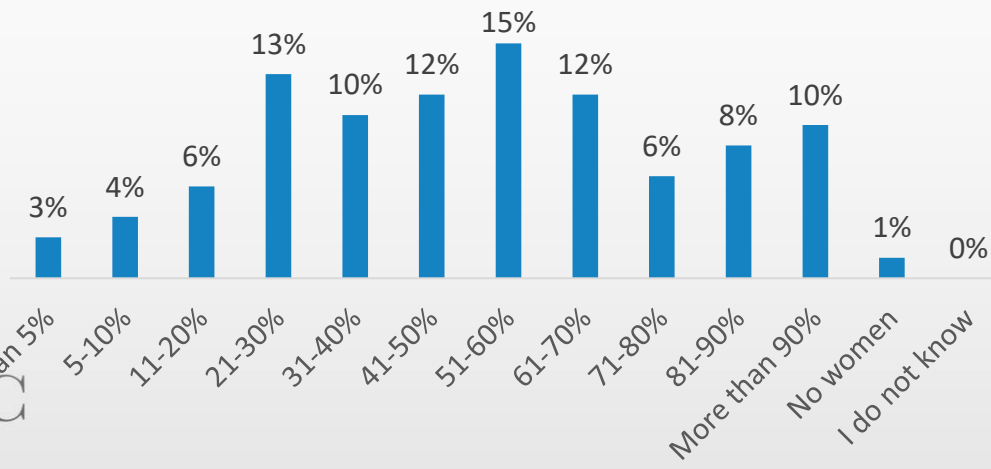
8%

Full foreign ownership

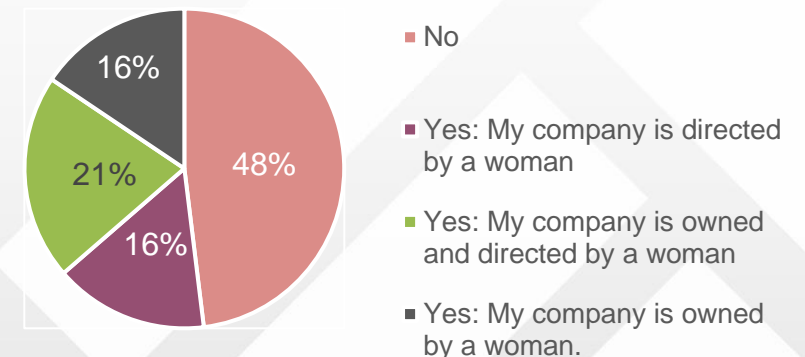
6%

More than 50% but not full ownership by foreign partner(s)

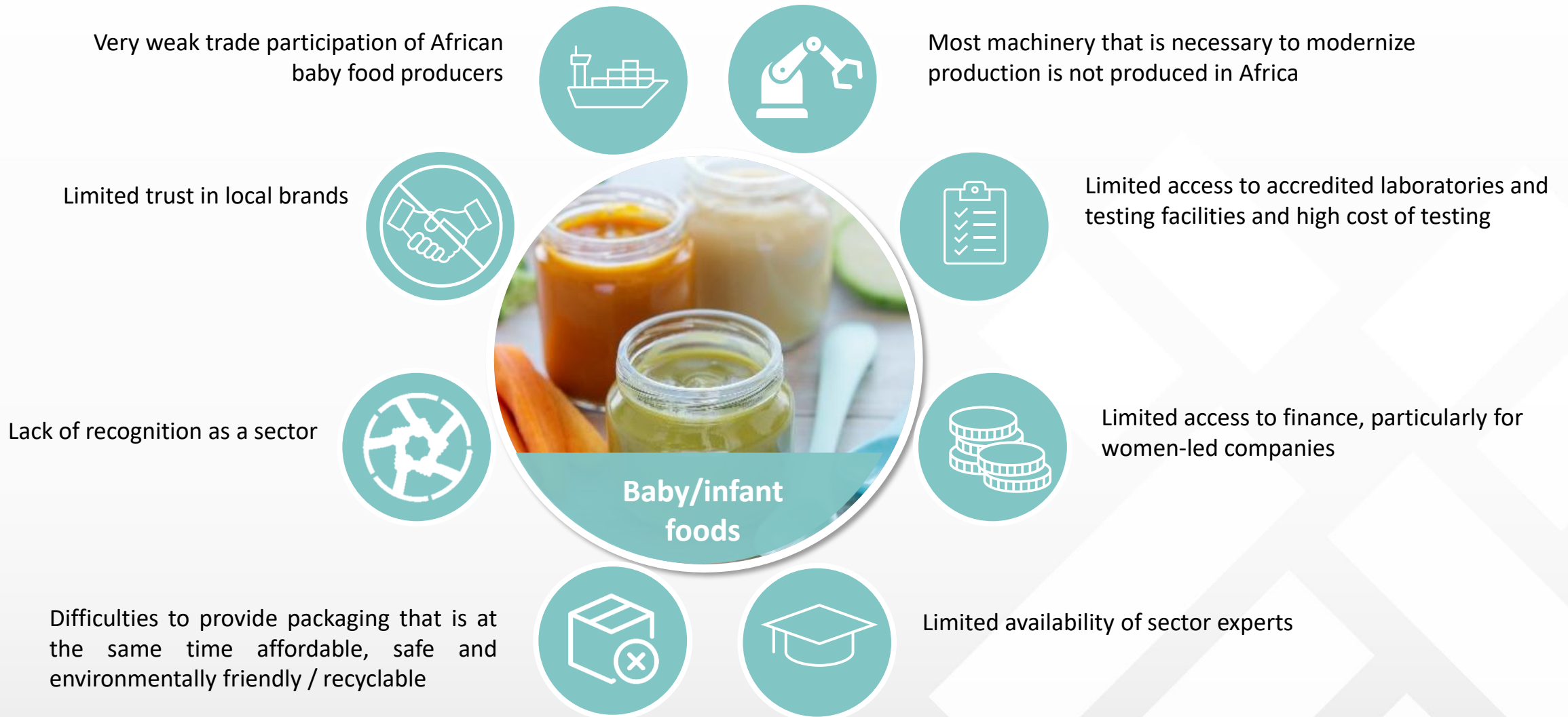
Most companies have significant share of female employees



Half of the businesses are women owned or managed



Baby/infant foods – Value chain-specific challenges*





Example baby food VC – what needs to change?

Selected value chain specific recommendations*

Recognize the sector:

- Craft a strategy for sector development and trade
- Create sector-specific associations with tailored supports to MSMEs

Facilitate investments along the value chain:

- High-quality inputs from sustainable and certified farming
- Machinery to automate and scale production
- Sustainable packaging solutions

Consider the **production on the continent of key machinery** used on agricultural and food processing

Improve the **availability of timely information** (e.g. availability of high-quality, certified inputs, prices, labelling and packaging requirements)

Harmonization of standards and recognition of conformity assessment certification (e.g. product registrations, licencing, packaging, labelling, tolerance limits, shelf live)