
Harnessing Africa's medicinal plants to create new business opportunities for the rural poor



African farmers in the Democratic Republic of the Congo are taking part in a social entrepreneurship project to cultivate medicinal plants for the pharmaceutical industry.

Some of the plants they will be growing will serve as food, high in protein and nutrition. Other plants could be used as treatments for diabetes, obesity and hypertension.

The health company pioneering the project is Canadian global health company, PharmAfrican, which has enlisted the support of partners such as the Jesuits and the World Wide Fund for Nature or WWF.

The company has teamed up with the BDA Foundation and two of its members – former Canadian Prime Minister **Joe Clark**, and Vice-President and Canadian ambassador, **Réjean Frenette** – outlined the project at the Africa Finance and Investment Forum in Paris last month.

“PharmAfrican is a blended enterprise,” Clark says. “It has to do with a for-profit enterprise, PharmAfrican, and a not-for-profit foundation.”



“We consider it an innovative social entrepreneurship solution to sustainable development in Africa.”

Frenette, speaking through an interpreter, adds: “These populations have often been forgotten by economic development.”

“Our approach is to offer training in entrepreneurship,” Clark says. “In plant cultivation, in harvesting, in marketing and export.”

The Jesuit connection

The principal partner is the Jesuits, who have extensive experience of education and agronomy.

The Jesuits are in charge of training for the first year. Some thirty students, drawn from all over the country, have just started the course. They range in age from about 23 to 57. The course costs about one million dollars a year to run.

During the first year they will be taught not only the theory of farming, but also how to run farming as a business. In their second year, working closely with the WWF and other organisations, the students will gain practical experience in the field. The third year will be spent on assessing how well what has been learned has been absorbed on the ground.



Clark says: “We had to our surprise and interest, an expression of interest (not only) on the part of enterprises operating in other fields – particularly in the mining industry – but also in other fields in other countries.”

“These are enterprises which have access to land and in some cases have to make better use of the land than they are now - both for social responsibility purposes but also because that makes better use of the asset that is there. We are always working in tandem with pan-African partners.”

Why now?

So why haven't African farmers already been farming huge areas of land for cultivating medicinal plants and selling their produce at good profits to pharmaceutical companies?

According to Clark, the World Health Organisation has only recently changed its guidelines to allow the direct use of medicinal plants in the pharmaceutical industry.

Frenette explains: “All this has been made possible thanks to the publication of a guideline by the WHO, the World Health Organisation.”

“This authorised countries to grant licences for the cultivation and harvesting of medications that would not come only from the chemical industry, but a second avenue is now open and the pharmaceutical industry is allowed to use natural molecules from plants – provided those plants are cultivated and harvested in line with scientific guidelines.”

The ‘French paradox’

PharmAfrican would like to develop anti-inflammatory drugs, in particular those that help combat diabetes, obesity and hypertension.

One area that could be lucrative for farmers in Africa is Resveratrol. In recent years, there has been quite a lot of research into the ‘French paradox’ – that is the conundrum that French people consume a lot of rich or fatty food and drink wine which should normally lead to obesity and hypertension.

Frenette says the fact that the French do not develop an abnormal disposition towards these conditions has been put down by Harvard scientists to the presence of a molecule called Resveratrol.

He says: “They have identified in the French diet -- which you don’t find elsewhere, and particularly in the United States – in wine, there is a molecule called Resveratrol, which was identified as coming from the skin of red grapes.”

“They actually found that this molecule was particularly important to health, and they found that wine contains Resveratrol and that plants, such as African plants, contain up to thirty or fifty times more Resveratrol – there are rich plants in Africa.”

Another plant that has nutritional and therapeutic properties which is found in Africa is Moringa. It originated in India and is now found in almost the whole of Africa. According to Frenette, a powder has been developed which can be used as a flour containing nutrition for children who are sick or nursing mothers.

Investors

In addition to providing mentoring and support, the BDA Foundation provides microcredits. They find business men and women locally, who are not necessarily in the medicinal plant business, who would be prepared to support these new entrepreneurs in their operations.

“So 30, 60, 90 people – we create islands of economic development all over the country,” says Frenette.

The Foundation also welcomes what it calls “blended investors” – in other words, people who are prepared to invest for an economic return but are also interested in the cultural and environmental benefits of the project.

Explains Frenette: “What we do is this – when we meet with investors we tell them the following: ‘In addition to you investing money in a pharmaceutical company, we would like you to add 20 per cent to support the work of the Foundation and therefore the Foundation obtains half of its funding from investors in the pharmaceutical company.’ ”

Environmental mission

According to Frenette, the 15 countries in southern Africa have decided to develop an African herbal pharmacopoeia. It was the only continent not to have one and he describes that as a “hindrance.”

It has now produced the first list of 50 plants but, says Frenette, hundreds of plants deserve to be listed. The Foundation believes a pharmacopoeia is a prerequisite for Africa and is now supporting the African Association for Medicinal Plants Standards in its work.

Clark also points out there is growing demand for African-grown functional foods due to the world food crisis.

“Local forests are under pressure,” he adds. “There is an industrial need for high-quality timber which adds to that pressure.”

“We believe plant protection can transform into forest protection as well.”

And he is optimistic about the future: “Today herbs are no longer seen as a fringe enterprise. It is no longer correct to say they are going mainstream. They are mainstream now.”

<http://executive.education.insead.edu/social-entrepreneurship>

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