



For immediate release
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PRESS RELEASE

Newly Permitted Food Ingredients Create Largest Shea Market in the U.S. and Grow West African Exports

December 17, 2020, Accra Ghana – Global Shea Alliance (GSA) member and sustainability partner Bunge Lodgers Croklaan recently received a [“no questions” letter](#) from the U.S. Food and Drug Administration (FDA) in response to its Generally Recognized as Safe (GRAS) notification for a new shea ingredient. The FDA letter effectively allows the use of shea butter fractions and their mixtures in the manufacturing and distribution of a variety of U.S. products including baked goods and breakfast cereals. The new market could potentially boost West African shea exports to the U.S. by an estimated 13,480 MT annually and generate \$8,519,432 additional income per year for West African economies. GSA President, Simballa Sylla, said *“Our members are creating new export markets that are critical to the advancement of the shea industry. We are thrilled the U.S. is welcoming shea ingredients to improve so many different consumer products.”*

New Shea Opportunities in the U.S.

In 1998, the first shea food ingredient known as [“sheanut oil”](#) was recognized as a GRAS ingredient in the U.S. The ingredient, however, is only permissible in confections and frostings, coatings of soft candy, and sweet sauces and toppings. Today, according to GSA estimates, the U.S. shea market consumes approximately 17,500 MT of shea (kernel equivalent) annually in both the food and personal care sectors.

The second GRAS recognized shea ingredient - shea butter fractions and their mixtures, in the [Bunge’s notification](#)- allows manufacturers the ability to incorporate this new shea ingredient into many applications and meet key trends such as sustainability, sensory experience, and more provided they meet the specification and other conditions in Bunge’s notice. This new shea ingredient will help enhance the texture, stability, and melting points of a variety of packaged goods including cookies, croissants, margarines, mayonnaise, salad dressing, snack bars, nut and seed butters, and candy bars.

New Shea Opportunities in West Africa

Sidley Austin LLP’s, trade economists performed an analysis of the potential economic impact from the U.S. market established by the new shea ingredient. Sidley economists provided a conservative estimate that the U.S. will consume 5,931 MT per year of the shea ingredient worth an estimated \$14,828,125. The new U.S. market could expand shea (kernel

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equivalent) exports by 13,480 MT annually creating an economic impact in West Africa of \$8,519,432 per year. Even on a conservative basis, this new market will increase shea trade with the U.S. by 77 percent over the status quo. The analysis is attached as an appendix to this press release.

GSA Policy Advocacy

A key focus of the GSA mission is to advocate for policies that remove trade barriers inhibiting growth of shea markets. GSA first identified U.S. food safety regulations as an impediment to trade with West African countries at its 2016 North American Trade and Industry conference in Washington, D.C. GSA then organized a working group comprised of member companies that compiled existing research that would support new GRAS notices. The working group also undertook a gap analysis, analyzing FDA requirements versus the compiled studies and data. The information was utilized by GSA members to support individual GRAS notices to the U.S. FDA.

Shea and Sustainability

Nearly 2 billion shea trees grow naturally on parklands in 21 African countries stretching from Senegal to South Sudan. 16 million women living in rural communities individually collect the fresh fruits and the kernel is processed to extract a vegetable oil known as “shea butter.” Shea offers technical benefits as a cooking oil and food/cosmetic ingredient, and is widely available in Africa. With approximately 800,000 tons collected each year, the industry provides a critical source of jobs and incomes to often poor and underserved communities. A recent GSA and United Nations Food and Agricultural study found that the shea value chain fixes 1.5 million tons of CO₂ each year.

Through its sustainability program, GSA supports its members in identifying industry wide challenges and implementing collaborative projects that promote women’s empowerment and protection of the shea eco-system. GSA is currently implementing an \$1M 5-year partnership with USAID West Africa called the sustainable shea initiative (SSI) which has supported 180,000 women collectors and processors, and increased the income of beneficiaries by 45%. The USAID West Africa Mission Director, Daniel Moore said *“We are proud to support GSA in improving the livelihoods of so many shea collectors and processors. USAID also recognizes the critical importance of expanding business opportunities in West Africa as a means to achieve development goals and move our partner nations along their journeys to self-reliance. So, we are delighted to see these new trading opportunities between the U.S. and West African nations.”*

About GSA

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[The GSA](#) is a non-profit industry association with 560 members from 35 countries including women's groups, brands and retailers, suppliers, and NGOs. Through public-private partnerships, the GSA promotes industry sustainability, quality practices and standards, and demand for shea in food and cosmetics.

About USAID West Africa

The USAID/West Africa regional mission's goal is to promote social and economic well-being advanced by West Africans. Spanning 21 countries, USAID/West Africa designs and implements programs with West African partners to strengthen systems of non-violent conflict management, support economic growth, and expand quality health services. The American people, through USAID, provide economic and humanitarian assistance in more than 100 countries worldwide. For more information please visit www.usaid.gov/west-africa-regional.

About Sidley Austin's Pro Bono Program

Launched by Sidley in 2012, the Emerging Enterprises Pro Bono Program provides free legal support to eligible small- and medium-size for-profit enterprises and market-focused nongovernmental organizations and nonprofits that have a clear social impact in developing countries across Africa, Asia, Central and South America and the Caribbean. Sidley provides pro-bono services to GSA on behalf of West African producing nations in order to expand their access to international markets and improve small and medium sized business opportunities. For more information please visit www.sidley.com/en/probonolanding/sidley-emerging-enterprises-pro-bono-program.

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