



building the biodiversity economy

A growing focus of the C.A.P.E. Programme has been investigating what it means in practice to develop the “biodiversity economy” of the Cape Floristic Region. The landscapes and biodiversity of the region are an obvious tourism draw-card, and the natural marine and plant resources, if wisely managed, have the potential to sustain livelihoods in the region in the long term. Programmes like the Department of Agriculture’s LandCare programme and SANBI’s Conservation Farming project have provided opportunities for conservation managers to work with farmers to identify, conserve and sustainably use the biodiversity treasures on their land.

This chapter highlights both community-based initiatives like the sustainable harvesting of rooibos tea and fynbos cut flowers, and innovative partnerships between conservation and the tourism and wine industries. The stories illustrate both the potential and pitfalls of these partnerships, and bring to the fore the need to go beyond the rhetoric of sustainable development to an honest appraisal of what sustainability as a value position means in terms of our lifestyles and business choices.

CHAPTER 5 Building the biodiversity economy

5.1 Valuing the Cape Floristic Region

When the Cape Floristic Region (CFR) was declared a World Heritage Site in 2004, it said something significant to the people of South Africa: the world values this region as a site of “outstanding universal significance to humanity”.

There are many reasons why people value this place: its landscapes, waters and living things. For a start, it is simply stunning. Whether it is the grandeur of the coastal and mountain scenery, or the perfect detail of the tiniest flower, the region is a visual inspiration. The

biodiversity of the region—the diverse and unique ecosystems and species of the land, rivers and sea—is valuable in its own right, as well as in terms of the many goods, services and opportunities it offers to the people of the region and the world. This biodiversity has also given rise to

much of what is culturally unique about the region: the snoek fishery that sustains thousands of coastal dwellers; a belief in the healing powers of “buchu brandy”; thatched roofed cottages—these are all quintessentially Cape.

The people of the Cape have sometimes been slow to benefit from their biodiversity heritage. In the field of horticulture in particular, European plant breeders have, since the earliest days of colonisation, produced countless showy, even bizarre, hybrids from the genetic raw materials of Cape plants. Cape-based plant breeders, on the other hand, have been few and far between. Today this is changing. The Convention on Biological Diversity, as one of its three aims, emphasises the need for biodiversity benefits to be shared with the people of the countries of origin of that biodiversity. Slowly but surely, the communities with traditional knowledge of healing plants, and the government agencies with the mandate to conserve the country’s floral riches, are starting to derive benefits from the multinationals that invest in their beneficiation.

Although it is easy to draw up a long list of the reasons why the world values the biodiversity of the CFR (and therefore why this biodiversity should be conserved), our society does not permit the



The Cape coastline has always been a source of livelihoods for people of the region, although tourism is beginning to outweigh consumptive use in some areas.



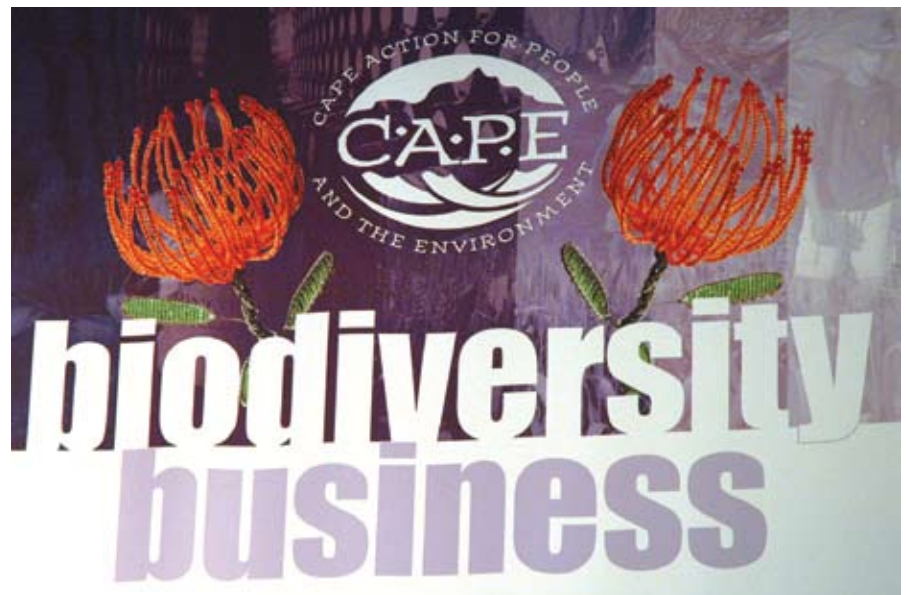
Although flowers have been traded for decades, it is only relatively recently that value is being added through bouquet-making using flowers certified as sustainably harvested.

Floral fortunes

Dutch and German plant breeders have created a multi-billion dollar horticultural industry by developing many fynbos plant species into garden plants.

luxury of vague, qualitative generalisations. On the one hand, government must be able to justify why, in a country plagued by HIV/Aids, poor levels of education and soaring unemployment, biodiversity conservation deserves a slice of the budget pie. On the other hand, in a society that seems to value only what illustrates a profit on a balance sheet, it is necessary to start describing not only in words and pictures, but also in hard numbers, why the biodiversity of the CFR is worth looking after. This is the justification for trying to quantify, in rands and cents, what biodiversity actually contributes to the economy of the region—in other words, the monetary value of the “biodiversity economy”.

Some elements of the biodiversity economy are obvious: the value to communities of harvests of fish, reeds, flowers and tea; the value to the economy of nature-based tourism; the income derived from the sale of game animals and the issuing of licences by government conservation agencies; and the employment opportunities that these various industries provide. At another level, many of the poverty relief programmes that the South African government has developed to provide short-term employment for the destitute, have been created in the biodiversity sector.



The aspect of biodiversity that is most difficult to quantify, and therefore most often overlooked, is what we call “ecosystem services”, those essential processes like water purification, soil generation, erosion control, pollination and pest control that well-functioning natural systems carry out automatically. We take these services for granted, until they are no longer there. And then, when we have to pay scientists and engineers to restore or artificially replicate the essential life-support systems that nature provides freely, we start to count the cost.

It could be argued, that if people were expected to pay for the services that ecosystems provide, nobody would question the value of biodiversity. But for the most part, these services are invisible on balance sheets. Were these services to be paid for by users, the agencies which remove thirsty alien vegetation from water catchment areas, that conserve the stands of fynbos in which honeybees over-winter, and manage the estuaries that act as nurseries for many marine fish species, would no longer have to feel the pinch of inadequate budget allocations.

What's it worth?

It isn't easy to put a monetary value to the biodiversity of the CFR, but a recent natural resource economics study estimated the total economic value of the CFR as at least R10 000 million per year, which is equivalent to over 10% of the regional Gross Geographic Product for the Western Cape.



The theme of the 2006 C.A.P.E. Partners' Conference was Biodiversity Business, exploring linkages and opportunities for business based on biodiversity and businesses that could make a difference to the way in which biodiversity is used and benefited sustainably e.g. rooibos products.



The C.A.P.E. Partners' Conference provided an opportunity for discussion and debate as well as showcasing of biodiversity-based enterprises.



At the C.A.P.E. 2006 Conference on Biodiversity Business, Brent Walters from the Department of the Premier provided a sound framework for discussion.



Director of Conservation International's Southern African Hotspots Programme, Sarah Frazee, has not only contributed directly to the initiation and roll-out of both the C.A.P.E. and Succulent Karoo Ecosystem Programme (SKEP) but has with boundless enthusiasm worked at a local level to catalyse opportunities and funding for local conservation and development, such as the Nieuwoudtville Tourism Charette.

A detailed natural resource economics study conducted on the Agulhas Plain found that, in 1999, fynbos flowers harvested from natural vegetation on the Agulhas Plain contributed about R10 million to farm incomes. In that same year, the fynbos flower industry as a whole generated a gross income of nearly R150 million from exports and local sales. Of this, about R86 million worth of flowers were harvested from natural vegetation. In terms of other fynbos products, about R12 million worth of buchu is exported each year, their oils being used to make food flavourants and cosmetic fragrances. And about R5.6 million worth of thatch was harvested in 1999. Marine resources such as linefish, rock lobster, abalone and bait species, contribute a huge amount to the provincial economy, with the industry being worth over R1 300 million per year.

In addition to these harvested products, fynbos vegetation also contributes significantly to the success of the deciduous fruit industry and to the honey industry. About half the honey produced in the fynbos region comes from bees collecting from fynbos flowers, amounting to about R5.8 million per year. In addition, Cape honeybees carry out an essential pollination service in the deciduous fruit-producing areas of the Western Cape. These bees forage in the fynbos for most of the year when the fruit trees are not in flower. Without the fynbos to sustain the bee hives, the fruit industry could not be sustained.

Tourism is the fastest growing sector of the South African economy. In the Western Cape, which has very little mining or heavy industry, tourism and agriculture are two of the most important economic sectors. It is estimated that the scenic beauty and the natural and cultural heri-

tage of the Western Cape attract 24% of South Africa's foreign visitors. A recent survey of tourism trends in the Western Cape revealed that activities relating to nature and wildlife are among the most significant reasons why foreigners visit the Western Cape (exceeded only by shopping and nightlife!). Caring for the natural environment is therefore a wise investment in sustaining tourism in the province.

Getting involved in the biodiversity economy

The C.A.P.E. programme has identified three opportunities to build the biodiversity economy of the CFR in ways that will sustain both people and nature. First is investing in and extending the network of protected areas, in order to unleash their potential to contribute more effectively to sustainability. Second is by developing a system of incentives to encourage private land owners to conserve critical biodiversity on their land through involvement in conservation stewardship. And thirdly, C.A.P.E. is working to influence and engage the business sector, such as the wine and fynbos cut-flower industries, in order to conserve biodiversity in productive areas of the landscape.

5.2 Making agriculture more sustainable

(i) LandCare Area-wide planning

The Department of Agriculture in the Western Cape has adopted a strategy known as LandCare Area-wide Planning (AWP) to promote the sustainable management of land and natural resources. Area-wide planning recognises that many natural resource issues, such as erosion control, water management and control of invasive alien plants, need to be addressed at a community level as well as at individual farm level. The programme also appreciates that addressing social and economic issues is an essential component of sustainable rural development.

LandCare AWP provides a framework to enable people on farms to work with their neighbours and the wider community to identify issues of common concern and to develop and implement plans to address social and environmental priorities. Ideally, the process should be led by members of the farming community, with support





LandCare Area-wide Planning

A comprehensive problem-solving process that integrates social, economic and ecological concerns within a defined geographic area.

provided by government agencies and local service providers. LandCare AWP processes feed into the development of municipal Integrated Development Plans (IDP), which means that projects are formalised and may qualify for part-funding from the government.

LandCare AWP provides groups of people in agricultural areas, whether they are members of a conservancy, wine co-operative, farmers' union or biosphere reserve, with a framework for addressing environmental and social problems in their area. Reflecting on the growing commitment of farmers to sustainable rural development, Francis Steyn observes, "The more I visit rural areas, the more I realise that I am just a 'conservation tourist'. It is the people who live on farms who are most committed to sustainability.

Setting an example

The Department of Agriculture is itself involved in a LandCare AWP process at its headquarters at Elsenburg. Elsenburg, together with its neighbours, the Klapmutskop Conservancy, undertook an alien clearing and fynbos restoration project. Despite the severe drought, springs in the area started running again for the first time in 30 years!

They see the streams drying up as a result of the spread of invasive alien trees; they understand better than anyone how climate change could impact on rural livelihoods; and they know that they must meet high standards of environmental and social responsibility if they are to continue supplying lucrative export markets." In this context, LandCare AWP helps people in rural areas to identify and address the most pressing local issues, and to mobilise limited resources and expertise to achieve a common purpose.



John Donaldson is Director of the Kirstenbosch Research Centre and has co-ordinated an extensive research programme on the principles and practice of conservation farming.



Francis Steyn

LandCare AWP is a process that enables communities to craft their "future desired condition" and then implement projects to reach this sustainable objective.

Francis Steyn, who champions LandCare AWP at the Western Cape Department of Agriculture, reports that 42 LandCare projects are currently under way in the province, most of them in the CFR. A number of key C.A.P.E. projects have been initiated through LandCare AWP, such as addressing priority issues in the Slanghoek Valley, conserving the Nuwejaars catchment and establishing the Bredasdorp integrated centre on the Agulhas Plain, and monitoring agricultural development in the Sandveld. Francis is particularly excited about a project in the Gouritz Initiative area where LandCare, in partnership with the Wildlife and Environment Society of South Africa (WESSA) and other NGOs, is responding to the community's request for more information about their unique environment. In 2006, through the medium of a puppet show, LandCare hopes to reach 17 000 children in the region. LandCare is also running ten three-day camps for underprivileged children through which they hope to reach another 1 000 children in all the districts of the Western Cape. Local businesses and individuals are encouraged to participate by sponsoring children to attend these camps.





Jakobus Koopman is one of the founders of the Heiveld Rooibos Co-operative.



Katie Stafford from Marks and Spencer in the United Kingdom provided insights to the Biodiversity Business Conference on the requirements of retailers for authentic products.



Woman harvesting rooibos plants for the Heiveld Co-operative.

What have we learned?

- *To become sustainable, LandCare AWP must be led by the community; when institutional partners start to play too dominant a role, this tends to undermine community participation.*
- *LandCare AWP processes can help to identify IDP projects in rural areas and LandCare AWP groups can assist with project implementation in areas where municipalities often lack staff and experience.*
- *Starting by identifying an issue that needs to be addressed infuses energy into the LandCare AWP process; the group has a common purpose and there is no room for complacency.*
- *Environmentally conscious farmers make excellent resource managers; they have intimate knowledge of natural resources and are motivated to care for the land as their livelihoods depend upon its continued health and productivity.*
- *LandCare AWP exercises demonstrate that poor land management on one property can have adverse impacts on neighbouring properties. This awareness is contributing to growing social pressure within farming circles for landowners to manage the land more sustainably.*
- *LandCare AWP creates opportunities for various government agencies and service providers to respond to project priorities identified by local communities. Because these priorities represent a diversity of social and environmental issues, it is important that a number of different agencies support planning and implementation.*
- *It is sometimes difficult for government agencies to deliver due to staffing and resource shortages, but this can be bridged by community efforts.*
- *It is difficult to focus on processes like LandCare AWP in the midst of a crisis like a severe drought. But the harsh realities of a disaster are often the trigger that motivates people to start managing the land more sustainably.*

(ii) Heiveld Co-operative—everybody's cup of tea

Tea and tradition

The Suid Bokkeveld, lying at the far northwestern end of the CFR, is not an environment for the faint-hearted. Particularly in the southern parts, the landscape is arid, the temperatures extreme and droughts frequent. For most people of the region, small-stock farming, rooibos tea production and social grants are the main sources of income. In this marginal farming area, overgrazing and inappropriate cultivation can easily degrade the land, making livelihoods even more precarious.

Most of the small-scale rooibos tea farmers in this region are members of the Heiveld Co-operative, a registered co-operative established in 2001.

Establishing the Heiveld Co-operative

The Heiveld Co-operative was formed with the support of the Environmental Monitoring Group (EMG), an NGO with a particular interest in ensuring that global environmental policies are implemented at a local level. In 1998 the Northern Cape Department of Agriculture asked EMG to help them honour their commitment to implementing the United Nations Convention to Combat Desertification (UNCCD) by supporting sustainable agricultural development in marginalised communities. The Suid Bokkeveld was chosen because of the need to address the impact of decades of neglect during the apartheid years, when some “coloured” farmers did not qualify for agricultural extension services. Unfortunately, due to budgetary constraints, extension services are currently not available in the district.

At an initial workshop, members of the Suid Bokkeveld community identified the problems they faced and agreed on a common objective that clearly established the link between sustaining the local environment and their livelihoods. EMG and the community agreed on a set of principles that would guide their interactions, including active participation, mutual respect and transparency.

One of the catalysts that led to the formation of the Heiveld Co-operative was the concept of “knowledge exchange visits”. Members of the Suid Bokkeveld community visited other community groups to observe a community-based ecotourism

Drought kills

The drought of 2003 destroyed many hectares of rooibos plantations in the Suid Bokkeveld. Rainfall in 2004 and 2005 was also below average.

An inspiring objective

The people of Suid Bokkeveld are empowered to manage their natural environment productively and sustainably and to establish sustainable livelihoods which satisfy the needs of all.

project and alternative production and marketing strategies for rooibos tea. Community members were inspired by what they saw and realised that they could achieve something similar in their own context.

A premium product

The lack of agricultural extension services in the past meant that members of the Heiveld Co-operative either harvested wild rooibos tea from the veld or cultivated it without pesticides or artificial fertilisers. Ironically, this meant that the product was in effect “organic”. This, coupled with the fact that sales of the tea would benefit marginalised farmers,

attracted the interest of the Fair Trade Organisation of the Netherlands. Members of the Heiveld Co-operative were certified as organic producers and now supply a niche market of consumers in nine countries who are willing to pay a premium for organic, fairly traded products. In fact, the co-op currently attracts the highest price per kilogram in the rooibos tea industry. The co-op has passed this benefit on to their members by setting a minimum wage for tea planters and harvesters that is nearly twice the legislated minimum for the area!

Rooibos tea and climate change

*Rooibos tea is a traditional, health-giving South African tea produced from the shrub *Aspalathus linearis*, which grows naturally in the Cederberg and Bokkeveld regions of the Western and Northern Cape. Most commercially harvested rooibos is cultivated, while some is gathered from the veld. Some wild-harvested varieties of rooibos are longer-lived and more resistant to drought and fire than the cultivated varieties. With concerns mounting about the impact of global climate change on agriculture in the arid western areas of the country, researchers are starting to investigate how to adapt to this threat. Scientists are working with the harvesters, drawing on both local knowledge and scientific methods to investigate these drought resistant varieties and develop guidelines for the sustainable harvesting of wild rooibos. This research aims to help secure the livelihoods of rooibos tea farmers in the region.*

Harvesters' handbook

Members of the co-op are involved in research that will result in publication of a harvester's handbook to promote the sustainable harvesting of wild rooibos.

PROFILE

Koos Koopman speaking at the C.A.P.E. Partners' Conference

Koos Koopman, a founder member and Secretary of the co-op, explains how it started:

“Local people have harvested rooibos tea from the veld for hundreds of years. When it became a popular drink, we started cultivating the tea and selling it. But it was hard to get a good price working alone. We needed to bring our small amounts of tea together and share the costs of production. So we started the co-op and got a chopping machine that all the members can use. Working together has created work for young and old, men and women. We harvest the tea, chop it and dry it in the sun on our tea-court using traditional methods. Some of the women in our community sew the cotton bags the tea is packaged in. Now they have work even after the harvest time is over. When chances come, you must grab them with both hands and then you will have a bright future!”





The Heiveld Co-operative puts traditional knowledge to work producing sustainably harvested organic rooibos tea for the export market.

Collective action

Membership of the Heiveld Co-operative has grown from 14 to 36 small-scale farmers in just five years. The co-op has enabled rooibos tea farmers in this sparsely populated district to organise themselves within a democratic structure, to share the cost of equipment and infrastructure, and to supply a high-end overseas market that would have been extremely difficult to access individually. As a collective, members are now able to compete in the market place with the large rooibos tea producers.

Through the co-op, members have been able to share knowledge and skills of sustainable production, and this is helping the group to address problems like soil erosion and crop losses due to drought. In the absence of agricultural extension officers, two members of the co-op have been given additional training and appointed as “mentor farm-



Neil Oettlé: We believe that every person or community has a potential for development that can be enhanced by positive experiences, or eroded by negative experiences. Conservation is inextricably linked to developing and expressing one's self-worth, and love for others and the environment."

ers” to advise fellow farmers. Furthermore, the co-op participates in forums and broader sustainable development debates with representatives from government, researchers, other farmer groups and NGOs.

Multiple Environmental Imperatives

In its work in the Suid Bokkeveld, EMG is responding in an integrated way to the imperatives of three United Nations environmental conventions:

- *The United Nations Framework Convention on Climate Change (UNFCCC): wild rooibos is more drought resistant than cultivated rooibos; learning to harvest wild rooibos sustainably is one way in which farmers can adapt to the more frequent droughts that are anticipated.*
- *Convention on Biological Diversity (CBD): EMG and the Heiveld Co-operative promote agricultural practices that contribute to biodiversity conservation, like retaining strips of natural vegetation between cultivated fields to reduce soil erosion, and sustainably harvesting rooibos tea from the wild.*
- *United Nations Convention to Combat Desertification (UNCCD): by enhancing livelihoods through the sustainable use of natural resources, the Heiveld Co-operative is addressing the causes of desertification.*

In summary, an integrated approach seeks to build more resilient ecosystems and social systems by retaining or re-establishing indigenous plant diversity, enriching the soil with organic material, limiting erosion, and enhancing livelihoods through participatory approaches that lead to enhanced capacities.

Sustainability—beyond the rhetoric

Noel Oettlé from EMG explains that they are partners with the Heiveld Co-operative in an action research project that aims to inform national legislation and policy by presenting “best practice” experience in the field of sustainable rural development. Through involvement in cycles of planning, acting and reflecting, project partners have been developing a deeper and more practical understanding of what sustainability means to them.

The research has also shown that there is no place for “quick-fix” solutions when trying to integrate marginalised communities into the mainstream of a globalising economy. Developing socially and economically sustainable communities requires people to be conscious of the global context, and confident and competent to solve their own problems in locally appropriate ways. Agencies involved in sustainable development projects have a responsibility to act ethically and not to subject communities to projects with unrealistic outcomes, budgets or time frames.

Involvement in the Heiveld Co-operative has been an opportunity for members of the Suid Bokkeveld community to



Hendrik Hesselman has a commanding knowledge of every aspect of the sustainable harvesting of wild rooibos.

develop knowledge, skills, confidence and a sense of self-worth. Through harvesting and selling their tea to an overseas niche market, co-op members are contributing economically and socially to their families and community. By farming more sustainably they are caring for the local and global environment. And what they are learning and sharing about sustainable farming methods is making a contribution in intellectual and policy circles. Locally and globally, the members of the Heiveld Co-operative are making a difference. Knowing this makes them very proud.

What have we learned?

- *It is vital to have a principled approach that is methodologically grounded: conservation and development do not just “happen”, but need to be carefully planned and facilitated.*
- *Don’t move ahead of where the community is and push your own agenda or process faster or harder than is appropriate: trust and understanding are delicate and if damaged can take enormous effort to re-establish.*
- *Don’t take ownership of the problems that land users experience, or the solutions that present themselves: this is a sure way to kill local initiative.*
- *Wherever possible encourage local institutions to take responsibility.*



The Koopman brothers of the Heiveld Co-operative receive their C.A.P.E. Gold Award from Minister Tasneem Essop.

Help them learn from the inevitable mistakes, and to develop their capacities and wisdom in response to difficulties. Don’t try to solve other people’s problems: even if you succeed in the short term, in the long term the problem will re-surface.

- *Building sound relations with local government may take time but is necessary and worthwhile.*
- *Avoid undertaking unrealistic projects or throwing money at problems.*
- *A learning approach has enabled members and office-bearers of the co-op to effectively manage an increasingly complex business.*
- *Integrating a number of funded projects into a holistic development programme can be challenging: each donor expects their particular objectives to be met and the burden of reporting becomes considerable.*
- *Unless small-scale rooibos tea farmers in the Suid Bokkeveld can access more land, the business will not be able to grow and will be in danger of stagnation.*



Katiena Kotze explains how partnerships work for sustainable conservation and development in local communities.



Members of the Heiveld Co-operative compare experiences with Grootbos in terms of developing and marketing products.



Spring flowers attract many visitors to Nieuwoudtville, albeit for a short season.



iii) Conservation farming: lessons from Nieuwoudtville

With about 80% of land in South Africa managed by farmers, and only about 6% formally conserved, no national or regional biodiversity conservation strategy can afford to ignore the agricultural sector. Many farmers are committed to conserving biodiversity and farming in ecologically sensitive ways. But with farming becoming an increasingly costly exercise, conservation measures can place an additional financial burden on farmers, which may be hard to justify in purely financial terms.

Between 2000 and 2004, the National Botanical Institute (now SANBI) co-ordinated the Conservation Farming Project, with GEF support through the World Bank, in four regions of the country where biodiversity is particularly rich but poorly conserved. Two of the four sites fell within the CFR, the first being the Bokkeveld Plateau around Nieuwoudt-

Taming the Wild

Globally, agriculture is the largest single cause of habitat modification.

ville (at the far north-western end of the region), and the other the thicket biome in the Albany district of the Eastern Cape. The project investigated the economic and ecological implications of conserving biodiversity on productive agricultural land. The project also considered what interventions would be necessary to enable farmers to conserve biodiversity, in cases where this might prove costly. An interesting aspect of the project was probing the factors that motivate farmers to conserve biodiversity on their properties, even when this does not make immediate economic sense.

Researchers developed an economic model (opposite) that represents the “production ecosystem” of a farm. This model reflects the fundamental challenge facing



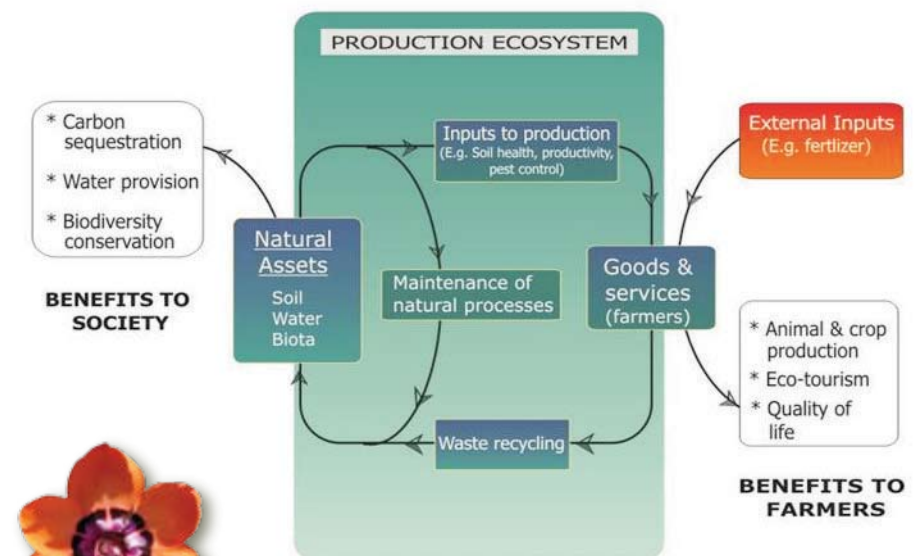
It was the efforts of local farmer Neil MacGregor to stimulate bulb diversity and flower tourism on his farm that first attracted the Conservation Farming project to Nieuwoudtville.

agriculture, which is balancing the need to produce commodities and developing rural livelihoods, with the imperative to conserve biodiversity and the ecosystem services that are essential for our survival and sustainable development. The project identified farms with rich biodiversity and evaluated the economic costs and benefits, as well as the biodiversity benefits, of biodiversity-friendly farming practices.

What is conservation farming?

Research conducted in South Africa over many years has shown that conserving soil and natural vegetation on farms improves soil fertility and water infiltration, which in turn enhances agricultural production and the resilience of veld to drought. Since the 1920s the government has developed various pieces of legislation, incentive schemes and extension services to persuade commercial farmers to farm in ways that conserve soil, water and vegetation resources. In general, these efforts have resulted in an improvement in the quality of farmland. The concept of conservation farming is therefore not new in South Africa. However, in the face of international and national imperatives to conserve biodiversity, the concept is starting to broaden to include the conservation of indigenous species and ecosystems in production landscapes.

A farm with a rich diversity of indigenous plants and animals can provide many benefits for the farmer. In addition to obvious agricultural inputs like grazing and healthy soil, many of the benefits that biodiversity provides are taken for granted. These may include the natural



pollinators that promote the development of fruit and seed; biological control organisms that help to control agricultural pests; trees and shrubs that provide shelter for stock; natural products such as firewood, cut flowers and medicinal plants; and ecotourism opportunities like birding and hiking.

Conserving species and ecosystems on farms can also have broader benefits for society. Meeting South Africa's obligations to conserve biodiversity is an obvious and direct benefit. Conserving indigenous vegetation along river courses and removing invasive alien plants from catchment areas on farms enhances the provision of clean water. Natural vegetation and healthy soils also act as important "carbon sinks", removing from the atmosphere carbon dioxide, which is one of the most important greenhouse gases contributing to global climate change.

The project investigated the relative benefits to farmers and society of conservation farming, and compared this with other land use options in the four study areas.

A focus on Nieuwoudtville

The Bokkeveld Plateau around Nieuwoudtville is a world-famous hotspot of plant diversity. It lies at the meeting place of two global centres of plant biodiversity—the Fynbos and Succulent Karoo Biomes. During the short 30–40-day flower season in August and September, the town welcomes nearly 12 000 tourists who come to admire possibly the richest variety of flowering bulbs on the planet.

The Conservation Farming Project developed this model to illustrate the relative costs and benefits to farmers and to society of different approaches to farming.

What do we value?

In working out which land use options were the most appropriate in the four areas studied, the Conservation Farming Project drew on principles of ecological economics, which attempts to give a value to elements that traditional economic systems often overlook. The value elements the project considered were:

- *Value of farming activities*
- *Tourism and recreational value*
- *Indirect use value, e.g. carbon sequestration, water provision*
- *Option value, i.e. the value of potential future uses of the land and natural resources*
- *Existence value, i.e. the value people ascribe to the existence of species, landscapes, etc.*



Nieuwoudtville farmer Neil MacGregor welcomes thousands of visitors to his farm every spring and autumn to marvel at the spectacular displays of flowers.

Traditional income comes from livestock farming. It is not a simple choice to switch to new forms of land use and economic activity.

Over the centuries, sheep farming and the cultivation of crops have transformed most of the natural veld around Nieuwoudtville resulting in habitat fragmentation and biodiversity loss, particularly on the richer soils. The Conservation Farming Project found that the costs of rehabilitating cultivated areas to a natural state would be prohibitive, so if the biodiversity heritage of the Bokkeveld Plateau is to be conserved, as much as possible of the remaining natural landscape needs to be retained.

However much a land owner may want to conserve biodiversity, few can afford to take action if this implies a heavy financial investment. The Conservation Farming Project therefore compared four possible scenarios to see what impact different land use options would have on biodiversity and livelihoods. They concluded that increasing farming pressure or continuing with current levels of cultivation and grazing would both result in biodiversity loss, and could eventually undermine the carrying capacity of the veld. If losses of bulb-rich habitats were significant, this would also have an adverse impact on ecotourism.

On the other hand, implementing biodiversity-friendly conservation farming methods would safeguard the unique plant and animal diversity of the area. If landowners with priority biodiversity on their farms formed a conservancy, this could serve to strengthen local networks, ecotourism opportunities and efforts to secure rates rebates for the conserved areas.

The researchers also considered a fourth option: converting farmland into a protected area. While this would be the most beneficial option in terms of biodiversity and ecotourism, it was also the least likely, as few farmers in the area were interested in selling their land. In any case, the research revealed that until more tourism opportunities are developed in the area (see Nieuwoudtville Tourism Design Charette Chapter 5.5), it is unlikely that ecotourism will provide a viable alternative to farming in Nieuwoudtville.

It is interesting to note that the research found that some disturbance by livestock (e.g. rotational grazing with periods when the land is rested), is actually beneficial for biodiversity. This, coupled with the fact that most farmers are not actually interested in developing ecotourism activities, suggests that conservation farming may be the most viable option both ecologically and socially. Indeed, when all measures of value were taken into account, conservation farming within a conservancy proved to be the most viable option economically. The conservancy option ensures biodiversity conservation and secures rural livelihoods and networks; it therefore meets all three criteria of sustainable development: ecological, social and economic sustainability.



Counting the cost

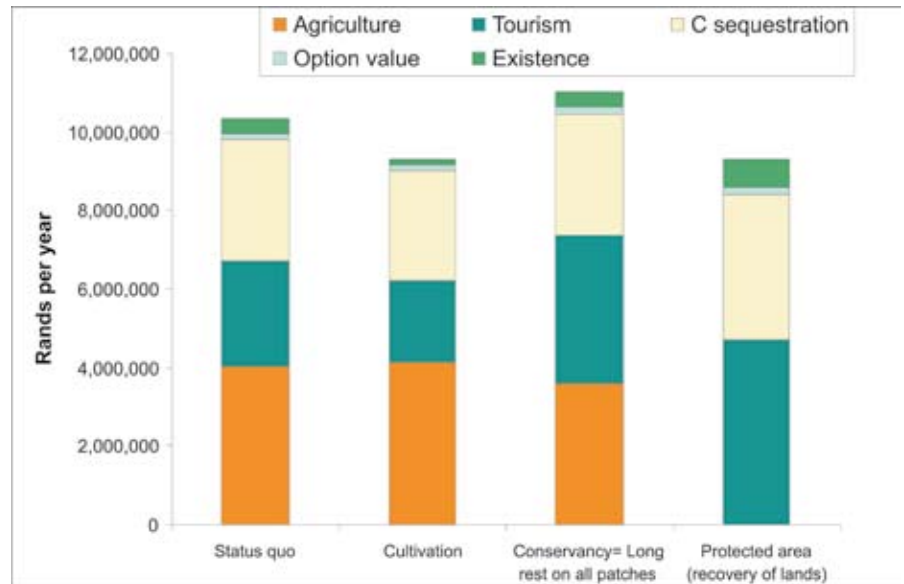
Although the creation of a conservancy in the Nieuwoudtville area may provide significant benefits to farmers and society in the medium to long term, in the short term biodiversity conservation is likely to represent an overall cost to farmers. The Conservation Farming Project identified various ways in which farmers could be assisted to implement conservation-friendly farming:

- Providing networking and capacity building opportunities to strengthen conservation farming knowledge and share best practice;
- Securing property rates rebates for conservation land on farms;
- Tourism companies paying farmers a fee if they allow tourists to view flowers on their farms;
- Establishing a research station where scientists and farmers could share their knowledge and experiences and learn together.

Most of the world-famous biodiversity in the Nieuwoudtville area is found on less than 20 farms. Ensuring that Nieuwoudtville remains the “bulb capital of the world” presents these land owners with an awesome responsibility. However, while farmers are the day-to-day managers of the land, South Africa’s biodiversity is a national asset that benefits society as a whole. Society must therefore share the knowledge, skills and resources necessary to conserve this heritage. We cannot expect a handful of farmers to shoulder the responsibility alone.

What have we learned?

- Conservation farming is a complex notion; relationships between farming systems and ecosystems vary widely, and a model developed in one area cannot simply be extrapolated to other areas.
- The dominant economic system is based on an assumption that people are primarily motivated by anticipated monetary benefit; however, people are motivated by a number of other values and once subsistence needs are satisfied, these other values can have a powerful influence on people’s



Projected financial benefits for four land use scenarios on the Bokkeveld Plateau around Nieuwoudtville, which take into account a range of values.

choices. This should be remembered when considering possible incentives for conserving biodiversity.

- Farming can satisfy all the fundamental human needs within one integrated lifestyle. Farmers are generally reluctant to leave farming and turn to other ways of making a living; this means that it is more realistic to work with farmers to achieve conservation objectives than to consider converting farmland into protected areas.
- Our perceptions and actions are strongly influenced by our social and professional networks. New ideas have little impact on social groups until they are accepted by influential members of a network.
- If scientists wish to contribute to conservation on farms, they must be prepared to listen to and empathise with farmers. Through equal learning partnerships, farmers and scientists will be able to develop strategies for an improved and more conservation-conscious farming approach.
- Bioregional planning initiatives like C.A.P.E. provide farmer groups with opportunities to implement innovative conservation approaches, e.g. through stewardship programmes and making funds available for projects.



Worth boasting about!

The diversity of plants on the Bokkeveld Plateau, in the area around Nieuwoudtville, reflects its complex geology:

- 1 360 plant species
- 309 bulbous plants
- 70 Red Data plant species
- 18 species endemic to just one quarter-degree square!

Flower Valley—ABI Partner

One of the original C.A.P.E. programmes, the Agulhas Biodiversity Initiative (Chapter 2), was established to conserve the unique lowland habitats of the Agulhas Plain and to promote sustainable livelihoods. In this region the harvesting of fynbos flowers is a major industry. ABI therefore identified the sustainable harvesting of wild fynbos as one of its key goals and appointed the Flower Valley Conservation Trust to manage this component of the project.

The women at Flower Valley have become very skilled at producing export qualities bunches of flowers.



Flower Valley Farm could have been cultivated for wine production if it had not been for supportive donors.

5.3 A focus on flowers

(i) Flower Valley Conservation Trust

Securing Flower Valley

Some of the best environmental initiatives begin with a crisis, and such is the story of Flower Valley. In 1999 Flower Valley, a 580 ha farm near the hamlet of Baard-skeedersbos came up for sale. Neighbour Carol Blumenthal was worried: with wine farming spreading to the Overberg, how secure was

the indigenous fynbos and forest on this well-watered farm? There was no time to waste. Carol made an offer to purchase, put down the deposit, and went fund-

raising. The international NGO Fauna and Flora International (FFI) stepped into the breach and Flower Valley Farm, complete with its flower processing plant and export business, was secured. That same year the Flower Valley Conservation Trust (FVCT) was established to run the farm, with a few added elements in line with FFI's sustainable development agenda.

A sustainable development vision

FVCT set out to manage Flower Valley with three inter-related goals in mind: to conserve biodiversity, promote the sustainable use of fynbos and assist local communities to improve their quality of life. With consumers becoming increasingly environmentally and socially conscious, the idea was to use Flower Valley Farm as the base from which to encourage fynbos operations on the Agulhas Plain to harvest wild fynbos more sustainably and to improve the social and economic conditions of workers in the industry. Ethically traded products can command premium prices, so operators supplying Flower Valley's export business would have an incentive to comply with strict codes of sustainable harvesting, environmental management and social development. FVCT would help to access these niche markets and investigate issues like eco-labelling.

An innovative social development programme was developed at Flower Valley focusing in part on early childhood development (ECD). An early learning centre provided pre-primary education and day care for children from local farms, and women from the community were trained as ECD practitioners. To provide year-round employment in a seasonal flower-picking industry, alternative income streams like hand-made paper were investigated. The environment and development vision was clear and inspirational. There was hope for a sustainable future.

But Flower Valley was not just a development project relying on external funding; it also had to become economically sustainable. The conservationists and development practitioners needed a commercial partner to manage and expand the business locally and internationally and to develop a marketing strategy. Changes in South African tax law also required the separation of the commercial and non-profit aspects of the Trust's operations. Consequently, in 2003 a group of UK-





Lesley Richardson, whose initial involvement in C.A.P.E. was through her responsibilities at WWF-SA, took up a position as CEO of the Flower Valley Conservation Trust and was the lead negotiator for the Trust with Flower Valley. Lesley has combined her deep passion for the development of people with her commitment to conservation, helping maintain trust and confidence in the activities of the FVCT.

based investors bought the business from FVCT and established FYNSA (Pty) Ltd. Together, FVCT and FYNSA were to make the three-fold sustainable development dream come true, sustaining the planet, people and profits.

No common ground

Sadly, this attempt at building a working relationship between conservation, rural development and business had in the early days met with difficulties. There were misunderstandings by both parties of the others' commitments and understanding of the relationship. Decisions that were taken for good business reasons had negative impacts on stakeholders. As a result, many of the farm workers were retrenched and replaced, projects like the permaculture garden were closed down, and the management relationship faltered. Eventually, after 18 months, the parties had to agree to re-negotiate the arrangement.

A new start

FVCT and FYNSA learnt much from this experience. FYNSA agreed to appoint



Flower Valley farm was one of the first farms to be certified by CapeNature as meeting sustainable harvesting standards. Lesley Richardson is seen here flanked by Gail Cleaver on the left and Roger Bailey on the right.

new managers who were more in tune with the sustainable development vision and willing to co-operate with the supply network on the Agulhas Plain. Alternative agreements were proposed in March 2005 and the negotiations began. FVCT also learnt about the importance of structuring contracts carefully in advance, and of spending enough time at the outset negotiating mutually acceptable terms.

Developing sustainable systems

Supplying a niche market with sustainably harvested flowers sounds like a fairly straightforward exercise, but it isn't. The market first needs to be developed and this takes time. Flower Valley had worked hard to find new customers and was delighted when one of its funders was able to broker a relationship with a super-market chain in the United Kingdom that has an ethical procurement policy.

Ensuring that your product is sustainably harvested is also an extremely complex and time-consuming process. The Flower Valley team acknowledges that their targets were over-optimistic for the first two years. We now look at some of the obstacles they faced in the quest to promote the sustainable harvesting of wild fynbos on the Agulhas Plain.



Roger Bailey is currently the farm manager at Flower Valley, but more importantly provides a key service to landowners on the Agulhas Plain to certify their flower harvesting practices as sustainable.



Laurette Afrikaner became of the first women at Flower Valley to take up a management position. She is now a partner in a flower harvesting business on the Agulhas Plain.



PROFILE

Gabbi Cook

Gabbi Cook who has the responsibility for Flower Valley's Early Childhood Education programme has also been the organiser of the capacity-building project to promote sustainable harvesting





Flower picker with pincushions.

In an attempt to provide year-round employment for the flower pickers, Flower Valley has investigated additional product lines like hand-made paper with pressed-flower decorations.

● Getting accredited

Consumers who have concerns about the environmental and social impacts of their purchases want to be confident that when they buy eco-friendly, fair trade produce this has indeed been harvested

sustainably by people who have earned a fair wage. Trade organisations exist in different countries to accredit producers in various agricultural sectors. In order to supply the European market, Flower Valley applied to the Flower Label Programme (FLP) in Germany for ethical trading accreditation.



Obtaining FLP accreditation is a relatively costly exercise: international inspectors must visit potential suppliers to conduct an audit, and FLP certification fees are high. To make this process more affordable for local producers, Flower Valley invited other suppliers to apply for accreditation with them as a collective and offered to subsidise the FLP fees. FVCT is trying to build up a network of suppliers who could be accredited by FLP and benefit from the market for flowers bearing their label. Failing to secure this market would naturally diminish the interest shown by other suppliers in the network. A concerted effort is being made to secure FLP accreditation.

FLP focuses mainly on labour and environmental standards, and not specifically on the conservation of biodiversity, and



Maryke Middelman was one of the founders of SAPPEX and responsible for putting together the guidelines for sustainable harvesting.

this was a gap the Trust sought to fill by developing an accreditation system for biodiversity-friendly harvesting practice. As CapeNature issues the permits for harvesting it was thought best to expand this into the certification scheme. Funding and capacity constraints have made this a time-consuming process, but great strides have been made in the past year towards putting in place a system to accredit suppliers who harvest wild fynbos sustainably. Together with FVCT, Cape Nature has developed a Code of Practice for Sustainable Harvesting. The Code needed to be tested and finalised so that it could form the other, as yet missing, leg of the accreditation system. In 2005 FVCT, in partnership with CapeNature, used grant funding to pilot an auditing system for sustainable harvesting of wild fynbos based on a draft version of the Code of Practice. Branding and a consumer education strategy are the next stage in the process.

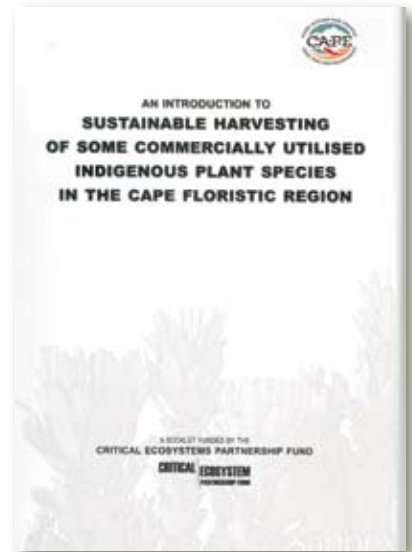
● Developing a Supply Network

In order to produce sufficient sustainably harvested wild fynbos to supply the developing market, FVCT needs a network of accredited suppliers. FVCT has conducted surveys to identify potential suppliers, who are then invited to join the supply network and apply for accreditation. FVCT offers incentives to potential members, including training, subsidised FLP fees and marketing support.

One of the goals of the sustainable harvesting project is to improve communication with suppliers by setting up a Supply Network Forum. Suppliers are very willing to co-operate, even though the establishment of the forum has been

SAPPEX Sustainable Harvesting Guide

What does it actually mean to harvest wild fynbos sustainably? What criteria do organisations like CapeNature use when deciding whether or not to accredit a supplier? Until ABI started investigating sustainable harvesting, no comprehensive guidelines existed to inform farmers, contractors or exporters. A few researchers were investigating the impact of harvesting and some managers were developing experience in the field, but this information was not widely shared.



The South African Protea Producers and Exporters network (SAPPEX) took the initiative to compile the first set of guidelines for the sustainable harvesting of wild fynbos plants, including cut flowers, medicinal plants, indigenous teas and thatching reeds. They also organised a road show to draw attention to the need for sustainable harvesting and to distribute the handbook.

slower than expected. Membership of the Forum is open to suppliers who are harvesting sustainably and who are either accredited or working towards certification. A steering committee will arrange regular meetings, workshops and field trips for members.

● Building capacity to harvest sustainably

With no courses in the sustainable harvesting of wild fynbos being available at the time, and with the need for an accredited supply network, FVCT joined forces with local and other experts to put together courses for flower pickers, supervisors and managers. The aim was to mesh local knowledge with scientific information in an appropriate learning package. This required the development of Unit Standards at three levels within the Primary Agriculture Education and Training Authority (PAETA, now AGRISETA), the Sector Education and Training Authority (SETA) that regulates accredited training in the primary agriculture sector. A grant from PAETA then made it possible for



Rosie Theunissen is one of the workers at Flower Valley, pioneering the production of fynbos bouquets that meet international consumer standards.





Green Futures (Chapter 5.4 (iii)) to offer the courses to those in the FVCT supply network.

The courses cover a wide range of topics, including sustainable development, fynbos ecology, basic plant identification, map work, sustainable resource management, appropriate harvesting techniques, environmental regulations and marketing. The pilot course was presented in 2005 and, despite a few logistical hiccups, went extremely well. CapeNature has since asked Green Futures, the accredited training provider, to repeat the course for a number of its staff members.

• **Strengthening the regulatory environment**

FVCT's sustainable harvesting project has also been slower than anticipated because CapeNature has simultaneously been revising the provincial regulations (the Ordinance) which affect the harvesting of wild fynbos. FVCT has contributed in a small though valuable way to the process by employing a botanical expert to update the list of fynbos species that may be harvested for the flower trade on the Agulhas Plain. CapeNature will now use this list to guide their issuing of permits to fynbos harvesters.

FVCT also convened an expert group to develop a "Species Vulnerability Index", which is a tool that can be used to determine how susceptible a plant species is to harvesting and to recommend a sustainable level of harvesting for each species. They have worked out vulnerability indices for 79 plant species and the botanical consultant has compiled digital images of all these species, which will enable both harvesters and conservation officers to ensure sustainable levels of harvesting of appropriate species.

Back on track

Proposal documents usually outline clear, simple and logical steps that will be followed to achieve project aims and outcomes. However, real life is far from

simple. The Flower Valley story highlights the many difficulties inherent in trying to develop a fully sustainable business within a commercial and regulatory context that has not yet come to terms with the tenets of sustainable development. If this project has taken longer than the funders or project managers anticipated, it is because (in common with many other initiatives in South Africa's young democracy) the project partners have been "making the path by walking it".

Despite the problems caused by a lack of alignment between FVCT and the first FYNOSA management team, there are signs that the partnership with the current FYNOSA Board and managers is working. The new business partners have extensive marketing experience and an entrepreneurial edge, and already the project has managed to expand its markets in the United Kingdom and the Netherlands beyond its expectations. The demand for flowers has been growing, even during traditionally quiet periods, enabling the project to provide greater employment security and income for the people of the Agulhas Plain.

What have we learned?

- *Achieving sustainable development is complex and partnerships should not be entered into lightly. Satisfying the "triple bottom line" requires people with experience in diverse, even potentially conflicting, fields (e.g. conservation, rural development, farming, marketing) to work together. The partners may have very different ideas of what sustainable development means, and the business environment in which they operate may also not understand or support sustainable development. Allow enough time to develop a common understanding of the issues—and be wary of entering into contracts too soon in the process.*
- *When projects arise in response to a crisis, there may not be time to establish a sound foundation of partnerships and project goals before starting work. An adaptive management approach that allows flexibility in the early stages can*

enable the project team to respond to emerging opportunities and developing insights.

- Partners involved in a business founded on sustainability principles must share an understanding of these principles and be committed to implementing them in practice. Where the fundamental values of the business are not shared, there is a lack of coherence and integrity. This in turn undermines open communication, trust and confidence. Ensure balanced power relations through representation by all parties on project committees and boards, and equitable shareholding of the business.
- Tailoring promotional materials for international markets is costly. It requires constant product research and development, since trends in the fresh flower market are governed by fashion and sentiment and are therefore transient.
- Running an on-site capacity building programme for staff requires management commitment and good planning, so as to avoid peak production times and minimise impact on production.
- Funders who see themselves as project partners rather than simply as providers of finance can add a great deal of value to a project by providing strategic advice, business skills and access to markets, especially those with ethical procurement policies.
- Relying on an international body for accreditation is difficult for a local project in its development stages. Standards are high and meeting them is time-consuming and costly for small, growing operations. View accreditation as a developmental process, with each step in the process of reaching the standards resulting in some improvement.
- Progress can be limited by a lack of capacity, funding and equipment by key partners responsible for critical aspects of a project. Innovative partnerships between civil society, government and business can help projects find “out of the box” solutions to carry out tasks and share responsibilities.



Michael Lutzeyer and his family invested in one of the first biodiversity-based tourism businesses in the Cape. The tourism lodge at Grootbos is also closely involved in the Walker Bay Fynbos Conservancy, the Green Futures horticultural college and with Flower Valley. He never loses an opportunity to explain the fascinating relationship of fynbos and fire to guests at Grootbos. Despite enormous losses due to fires that damaged part of the lodge in early 2006, Michael is buoyant about the valuable relationship between the lodge business, the conservation of biodiversity and the upliftment of people.

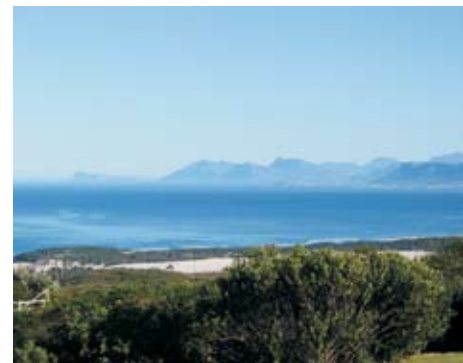
(ii) Grootbos Private Nature Reserve

What has happened at Grootbos Private Nature Reserve since the Lutzeyer brothers bought the property in 1990 is nothing short of transformational. Starting with an overgrazed cattle farm infested with alien plants, in a remarkably short space of time the family has created one of South Africa's premier guest lodges, offering the discerning ecotourist an abundance of experiences. The lodge shares with visitors the spectacular views of Walker Bay that first attracted the interest of Michael and Tertius Lutzeyer. The reserve offers hikes and horse trails through fynbos and thicket, and the bay is awash with options, from boat trips to see sharks and whales, to beautiful beaches and strandloper caves.

For all the magnificence of the stone and thatch lodges, with their tastefully appointed rooms and delectable dining, the tourism establishment is only one facet of the gem that is Grootbos. The Lutzeyer family sees a deeper beauty and purpose in the estate, and this vision is reflected in one of the founding principles of Grootbos: “The business should generate employment and training for local people as well as income for con-

Big bush – small shrub

Grootbos means “big bush” and refers to the groves of milkwood trees found there. The estate has in turn given its name to an Erica species found only on the property, Erica magnisylva.



Grootbos set a new standard for biodiversity business in the tourism industry, supporting both conservation and skills development.



Green Futures, the horticulture and landscaping school at Grootbos Private Nature Reserve, has provided unemployed members of the Gansbaai community with training and opportunities for employment. When the Agulhas Biodiversity Initiative needed a venue for accredited training in sustainable harvesting, Green Futures stepped in to assist.

servation related activities.” Today more than half the employees on the property come from nearby townships, benefiting from the estate’s commitment to job creation and professional development in various fields.

One of the first jobs the Lutzeyers undertook after buying the Grootbos property was to start rehabilitating degraded natural areas. They employed botanist Sean Privett to oversee the removal of invasive alien plants and the restoration of in-

digenous species. Sean has worked for Grootbos ever since, and has played a vital role in establishing the indigenous nursery and educational centre on the property. These developments culminated in the establishment in 2003 of Green Futures Horticulture and Lifeskills College (see below).

The lodge employs biologists and conservationists who undertake a number of environmental projects, run tours for visitors and assist with staff development.

PROFILE

Sean Privett

Sean Privett has found the ideal niche. His research on sustainable harvesting has been of crucial importance in the development of accreditation schemes for flower harvesting on the Agulhas Plain, and his conservation management expertise has helped Grootbos become a leading private sector conservation manager. In addition, he is a Trustee of the Flower Valley Conservation Trust and Director of the Green Futures College. One of the “fynmense” wearing multiple hats.



Grootbos has its own herbarium and conducts species surveys on the property. Already botanists have identified more than 674 different types of plants at Grootbos, including 54 Red Data species and three previously undescribed species.

Grootbos is a prime example of an eco-tourism enterprise that is walking the talk of sustainable development. Economically, the business is not only sustaining itself but has stimulated tourism in the Gansbaai area. Ecologically, it is restoring and conserving a valuable piece of lowland vegetation. And socially, this remarkable family business is creating training and employment opportunities for local people, and increasing the environmental awareness of visitors from all over the world.

(iii) Green Futures

Sean Privett, Director of Green Futures Horticulture and Life-skills College, is inspired by the Green Futures mission because he has seen it work. Based at Grootbos Private Nature Reserve, the college opened in 2003 and is committed to “building sustainable livelihoods through nature-based education”.

Each year 12 students from nearby townships are selected to participate in a horticulture, landscaping and life-skills course. Most have no prior knowledge of indigenous plants, but within a year they are brimming with enthusiasm and ready to put their new knowledge and skills to work. The course combines essential life skills like personal finance, business skills, driving and health education, with knowledge of environmental and conservation issues, and skills of horticulture and landscaping. Classroom sessions, practical involvement in nursery and landscaping projects, and field trips to interesting places make learning relevant, stimulating and fun. Already two cohorts of students have graduated from this exciting programme. What is most encouraging is that all Green Futures graduates have either been snapped up by employers or, in one notable case, opted for self-employment.

After graduating in 2004, Nozuko Pelem decided to share what she had learnt at Green Futures with friends in Masakhane township who had been unable to attend the course. She started a project called Siyakula, meaning “we are growing up” in isiXhosa. Based at the local crèche, she



Valuable qualifications

Green Futures is an accredited training provider registered with AGRISETA, the Agriculture Sector Education & Training Authority. This means that its qualifications are officially recognised.

is teaching three students to grow vegetables and propagate indigenous plants.

Becoming sustainable

Seed funding to establish the Green Futures College was donated by the German Development Bank (DEG), which matched an investment by Grootbos Private Nature Reserve on a rand-for-rand basis. In terms of the original grant, Green Futures was expected to become self-funding after two years. This was the incentive for some creative thinking that resulted in the college building economic sustainability into the design of its courses.

All students spend about 20% of their time at college working in the Grootbos plant nursery and assisting with the fynbos landscaping business. This not only provides them with essential practical experience but also enables them to generate funds through the sale of plants and provision of landscaping services. These earnings are invested into the Grootbos

Successful graduates

Grootbos is so proud of the Green Futures graduates that they don't want to let them go. The Grootbos estate manager, landscape manager at the new Forest Lodge, nursery assistant, and three of their nature guides are all ex-students. Guide Nzuzo Nkhili has made such an impression at Grootbos that the South African government recently honoured him with a merit award for his contribution to ecotourism. Graduates have also found employment at landscaping companies, nurseries and a local golf course, where their specialist knowledge of indigenous plants and water-wise gardening is greatly valued.



Each year a few hard-working Green Futures students have the unparalleled opportunity to visit the Eden Project in Cornwall for a few weeks.

Green Futures Foundation, which helps to finance students attending the following year's course. Grootbos also uses the college facilities to run residential courses for the public on indigenous water-wise gardening. Income from these courses helps to fund Green Futures.

If you want to give a donation, the college won't turn it down, but Sean would rather not rely on external funding. He is proud of the fact that the symbiotic relationship between Green Futures and Grootbos has enabled them to make the



The Green Futures Siyakula Project.

Why indigenous?

The Green Futures course is offered to unemployed young people from townships around Gansbaai and Stanford. So why the focus on indigenous gardening—wouldn't food gardening be more relevant? Director Sean Privett explains: "There is a growing trend in the Cape to grow water-wise gardens using indigenous plants. Not only does this make practical sense in a hot, dry region, but also indigenous plants are exceptionally varied, very beautiful and attract a wide variety of birds and other wildlife into gardens. But who is going to do this gardening? There is a severe shortage of knowledgeable people with the practical and theoretical experience to develop indigenous private or public gardens." Green Futures is equipping young people to fill this gap in the market, and at the same time enabling them to play an important role in helping to conserve the unique flora of the Cape.



5.4 The Biodiversity and Wine Initiative

A successful coloniser

The introduced species, *Vitis vinifera*—the grapevine—has made itself very much at home amongst the fynbos of the Cape. Since the early years of Dutch settlement when Jan van Riebeeck established the first vineyards on Wynberg Hill, the promise of fine wine and smooth brandy has brought rich and poor into its service. Unable to invade the landscape unaided, the grapevine has enlisted people to plough, plant, pluck and press, ensuring its successful colonisation of the Cape lowlands. Today it is hard to imagine the Cape without its winelands. They are as deeply embedded within the region's cultural identity and economy as its natural landscapes and biodiversity.

What have we learned?

- A major factor contributing to the success of Green Futures is that it is a full-time course that runs for a whole year and only 12 students are involved at one time. Too many of this kind of courses are funded on the basis of "credits x students", which results in rushed courses and inadequate supervision.
- Student selection is extremely important: they must have an interest in nature and be self-motivated and able to grasp what is taught.
- One of the most gratifying aspects of Green Futures is to see how people's confidence and sense of self-worth grows as the course develops.



Using his experience in marketing (and clearly a passion for wine), Tony Hansen has been able to win over many champions of the wine industry to the conservation cause.

The post-apartheid period breathed new life into the wine industry, as foreign markets started to welcome South African products once more. Exchange rates made Cape wine farms irresistible to foreign investors and the development of new cultivars opened up opportunities to plant vines in new areas. In the ten years from 1990 to 2000, the area under vines increased by 15%. It was boom time in the winelands.

As vineyards started creeping up mountain slopes and expanding into the Overberg, conservationists started getting worried. The already embattled fragments of lowland renosterveld and fynbos, of

which only 9% remained, were threatened by this new wave of viticultural expansion.

Wine and conservation—finding synergy

Building on its extensive experience in lowlands conservation, the Botanical Society of South Africa, with Conservation International, undertook a research project in 2002 to assess the status of the wine industry and investigate possible impacts of its expansion on critical vegetation fragments. Dr Johan van Rooyen, Chief Executive Officer of the South African Wine and Brandy Company (SAWB), acknowledges the “non-arrogant manner” in which the Botanical Society approached the industry to discuss their findings and concerns.

The meeting came at an opportune time. The wine industry was under pressure mainly from the European market to demonstrate its commitment to social, ecological and economic sustainability (the triple bottom line). The industry had set up an accreditation system, Integrated Production of Wine (IPW) to ensure sustainable production standards at farms and cellars; however, biodiversity conservation was not included as a criterion. The meeting between SAWB and the conservation sector enabled the wine industry to expand the IPW standards to include biodiversity conserva-

A vital industry

- *South Africa is the eighth largest wine producer in the world, contributing 3.5% of global production.*
- *90% of South African wine is produced in the CFR.*
- *4 600 wine farmers, 505 private cellars and 66 co-ops provide employment in SA.*
- *Currently 110 200 ha of vineyard in South Africa.*
- *By December 2005, 11 700 ha had been set aside for conservation through BWI (21 members and one champion).*



Vergelegen: South Africa's first Biodiversity and Wine Champion

The famous Vergelegen Estate owned by Anglo American was appointed as South Africa's first BWI Champion at a launch event held on 22 March 2005. The BWI's Champion Programme honours wine estates and wine farms that are playing exemplary roles in conserving the highly threatened species and habitats found in the Western Cape winelands.

Vergelegen has spent nearly R4 million to date on alien clearing and environmental projects, paid for by profits from wine sales. In ten years the estate has restored 316 ha of endangered Boland Granite Fynbos, previously invaded by woody alien plants, to a pristine condition and kept 250 ha of Swartland Shale Renosterveld unploughed on the Schapenberg ridge, despite the renowned viticultural potential of these habitats. To assist them in this major conservation project, the estate employed Gerald Wright, previously the manager of the Helderberg Nature Reserve, to oversee the implementation of the veld management plan.





The Vergelegen Estate leads the way in the removal of invasive alien plants and the restoration of threatened habitats.

tion guidelines. As an economic incentive, the BWI strategically presented the concept of biodiversity to Wines of South Africa (WOSA, the marketing wing of the industry) as a unique marketing angle for South African wines.



The Biodiversity and Wine Initiative launched

Co-operation between the wine industry and the conservation sector led to the launch in March 2004 of a further two-year project, the Biodiversity and Wine Initiative (BWI). This partnership project has developed a strategy to minimise the loss of threatened natural habitat on farms and to promote sustainable wine production.

An early achievement of BWI was the development of biodiversity guidelines for the wine industry, which were adopted by IPW in August 2004. These guidelines enable the industry to promote biodiversity-friendly wine farming among its members and to acknowledge good practice. Wine farmers and producers may be recognised in one of two categories:

- A Biodiversity and Wine Member allows entry-level membership, with the member signing a statement of intent to set aside an area of natural habitat and implement IPW sustainable production guidelines for farms



Vergelegen in Somerset West was the very first Biodiversity and Wine Initiative Champion. Handing over the award are IUCN President Mohammed Valli Moosa and CEO of the BotSoc, Dr Bruce McKenzie.



The Biodiversity and Wine champions have adopted stringent measures to ensure best practices in production of wine, but also stewardship of biodiversity on farms.

and cellars. Individual estates and privately owned farms are required to fulfil different criteria than BWI Co-operative Cellar Members.

- A Biodiversity and Wine Champion must demonstrate a two-year track record of good conservation practice, have started implementing conservation actions in management plans, and conserve at least 10% of the property, preferably under one of the Conservation Stewardship options (Chapter 4).

A unique selling point

The South African wine industry will never be able to compete with high volume, low-cost wine producers like Australia and Chile. The strength of the South African wine industry is its potential to produce a great diversity of interesting, specialist wines, establishing it firmly as a high-quality, niche market player. WOSA had been looking for a unique angle from which to market South African wines, which is exactly what BWI's emphasis on biodiversity provided.

Both the wines and the flora of the Cape are unusually diverse. This diversity results from the varied topography, soils and micro-climates of the region, known to wine makers as "terroir". Just as the diverse terroir of the Cape has created a richer biodiversity than is found in any other wine-producing country on Earth, it has also enabled South Africa to make the world's most interesting wines. This is the concept behind WOSA's new slogan in their advertising campaign: "Variety is in our nature".

During the initial two-year implementation phase of the BWI project, wine producers with existing track records in biodiversity conservation, are being enlisted as champions to promote the initiative



Sue Winter impressed the Fynbos Forum with her research on land owner attitudes to conservation, concluding that farmers were only too keen to co-operate when they were well-informed about the special biodiversity in their care. She has followed this through in her work with conservation stewards among the wine industry.

to their peers. BWI extension officers are helping these champions to implement the biodiversity guidelines and to integrate biodiversity conservation into the identity of their winery. The current focus for BWI is broadening the membership base as widely as possible, particularly in wine regions where threatened vegetation fragments still exist, such as the Bottelary, Darling Hills, Paarl Mountain and Slanghoek Valley.

A membership recruiting phase coincided with Cape Wine 2006, a wine trade show that also hosted a Wine Diversity Conference in April 2006. For the first time, the conference included sessions on the biodiversity of the Cape Winelands. It demonstrated to the world's wine media the extent of conservation commitment of the Cape's wine producers.

The first biodiversity wine route involving BWI members, the Green Mountain Eco-Route, has been developed in the Elgin-Bot River area. This route is an opportunity for participating estates and cellars to develop a wider range of biodiversity-related products and services, and to tap into the growing ecotourism market. This in turn has the potential of creating additional employment opportunities and revenue streams for these companies. It's early days, but Dr van Rooyen believes that through this kind of innovative partnership, the wine industry is paving the way for other agricultural sectors to follow.

What have we learned?

- *The conservation and business sectors must work together to conserve biodiversity and realise sustainable development goals.*
- *Substantial research into the industry is required, prior to engagement, in order to understand its core business, market leaders, key markets, marketing strategy, approach towards sustainable production, missed opportunities, etc.*
- *In general, the conservation sector lacks people with business skills to engage with industry.*
- *Developing innovative cross-sectoral programmes requires stakeholders to collaborate from project conceptualisation to implementation.*
- *To secure long-term commitment from the industry, creative short-term economic incentives are needed.*
- *There is a need to work through existing industry structures rather than creating new institutions. This reduces implementation costs and time, and is far more likely to result in industry endorsement.*
- *It is more productive to co-operate than to make enemies; maintain good relationships with all sectors of the industry and be sensitive to how far you can push an issue before it leads to conflict.*
- *Sustainable production systems can be a useful tool to acquire market share; bear this in mind when engaging with the industry.*
- *Synthesise relevant environmental and agricultural laws into an understandable format for farmers, and demonstrate that sustainable production and conservation guidelines are a tool to help them comply with the legislation.*
- *It is important to speak to and motivate different players in the industry (e.g. farmers, wine-makers, marketers) in ways that are meaningful to them.*
- *Land owners can be influenced to farm sustainably by working through the agricultural industries they supply.*

Support these wine producers!

In November 2005, the Botanical Society of South Africa honoured the first group of 21 BWI members and the existing BWI champion, Vergelegen. Rooiberg Winery, representing eight farms in the Robertson district, is the first BWI co-operative cellar member to be registered. The following 20 individual producers have also been registered as BWI members. By choosing wines produced by BWI champions and members, you will be supporting biodiversity-friendly wine production:

- *Stellenbosch wine route: Delheim, Hartenberg, Koopmanskloof, Louisenhof, Mooiplaas, Spier Vineyards, Waterkloof (False Bay Vineyards)*
- *Paarl wine route: Avondale, Backsberg, Black Pearl Wines, Boschendal, Montagne, Plaisir de Merle*
- *Overberg wine route: Beaumont, Oak Valley & Paul Cluver Wines*
- *De Grendel (Tygerberg), Glenwood (Franschoek), Towers (Swartland) & Tulbagh Mountain Vineyards*



5.5 Towards sustainable tourism

(i) Open Africa – enabling Afrikatourism in the Overberg

No discussion on sustainable development opportunities in the CFR would be complete without a focus on tourism. Open Africa is a tourism development company that takes seriously the principles of sustainable development and community participation, encouraging tourism ventures that generate job opportunities and conserve the environment. This non-profit organisation promotes a vision of “Afrikatourism”—creating a continuous network of sustainable nature-based tourism routes linking Cape Town to Cairo. “Africa’s greatest strength is its natural resources,” says route developer Georgie Nelson, “so we work with communities to use this rather than destroy it.” Not surprisingly, the first Open Africa route was the Fynbos Route established in 1999 in collaboration with a tourism forum in the Overberg. Since then, another 55 routes have been developed in five African countries.



Open Africa responds to requests from communities needing help to develop local tourism routes. Facilitators take participants through a systematic three-month route development process, helping them to recognise the uniqueness of their natural and cultural heritage, and building the capacity of a representative community forum that develops and

manages the route. Open Africa raises funding to cover the costs of this process, to ensure that nobody is excluded from participating.

The route development process culminates in the publishing of the route on the Open Africa website (www.africandream.org). Using GIS technology, information on all the tourism partners and their products and services is linked to the route map. Once the route exists on the website, new entries can be added at any

Open Africa



www.africandream.org

Local website

Encouraged by the route development process, guest house owner Andy Carpenter developed a website for the Gansbaai area (www.danger-point-peninsula.co.za), which provides detailed information on the local environment and tourism opportunities.

time. Because there is no charge to contribute information, Open Africa routes promote all businesses equally, whether they are large or small, established or emergent.

Reviewing the original Fynbos Route

The original Open Africa Fynbos Route was reviewed in 2004 and renamed the Overberg Fynbos Route. The route incorporates the towns of Gansbaai, Stanford, Napier, Elim and Pearly Beach. It falls within the broader Agulhas Biodiversity Initiative (ABI, Chapter 2) area, where numerous C.A.P.E. partner organisations are actively involved in biodiversity-related projects and businesses.

The route forum recognises the value of working as a collective, and organises regular workshops to keep both route members and the general public informed about opportunities like adventure tourism, ecotourism and sustainable resource use in the Overberg. The forum provides an opportunity for C.A.P.E. partners and others to develop a more strategic, regional approach to sustainable tourism, and to benefit from promotion of the route as a whole. In addition to using the Open Africa website, the forum also works through tourist information offices, the local media, and expos and shows throughout the region.

For Hardus Botha, chairperson of the Overberg Fynbos Route, promoting the uniqueness of the Overberg is necessary not only to attract tourists, but also to generate an interest in tourism in local communities that have not previously been involved in the sector. Through forum meetings, tours and workshops, cultural festivals and articles in community newspapers, awareness is starting to grow and the first township-based tourism operation has been established in the area.

The Overberg Fynbos Route has started to strengthen sustainable nature-based tourism in the Gansbaai area. Now Hardus believes it is time to start developing a network of Open Africa routes throughout the Overberg. Other nodes already exist, like Blue Crane routes around Agulhas, Caledon and Heidelberg, but new opportunities need to be explored to spread the Afrikatourism vision throughout the Overberg.

What have we learned?

- *Tourism routes can provide communities with an incentive to conserve their environment, particularly if the benefits of tourism are shared broadly by the community.*
- *For a tourism route to be sustainable, the community must be involved in its development and make all the management decisions.*
- *A tourism route enhances local business through referrals between members.*
- *Many communities have become cynical about development projects that promise much but deliver little. The fact that Open Africa can establish a route within only 90 days is motivating and generates commitment.*
- *The involvement of talented and energetic local champions is essential to the process of route development.*
- *A route forum stimulates the development of local tourism products, and provides a supportive environment in which emergent providers can develop capacity.*
- *Especially in rural areas, lack of transport can make it difficult for people to attend forum meetings. It is important to overcome this problem to enable a representative forum to meet regularly and maintain enthusiasm.*

(ii) Nieuwoudtville Tourism Design Charette

Nieuwoudtville is a unique community perched high on the Bokkeveld Plateau above Vanrhynsdorp. A village established to serve the needs of a sheep farming community, it is also famously known as the “bulb capital of the world”. The veld is jam-packed with an extraordinary variety and number of plants that grow from bulbs, corms and tubers. For much of the year, these plants beat the heat by lying dormant in the soil. But come the first autumn rains, buds and leaves start to break through in profusion. From amaryllids in autumn to spectacular spring displays, this is a plant-lover’s paradise.

Nieuwoudtville’s botanical bounty has attracted a lot of interest in recent years. Research projects like the Conservation Farming Project and CREW (Chapter 4.2), and sustainable development initiatives like the Heiveld Rooibos Tea project (see above) have brought scientists and development practitioners to the town. Local NGO, Indigo Development and Change, has been exploring job creation opportunities based on the sustainable use of the region’s resources, such as the rooibos tea co-operative and a nursery to propagate indigenous bulbs. Tourism was an obvious possibility, but the limited focus on a short and fickle flower season was not enough to generate sustainable year-round employment.

During March 2004 representatives from the Hantam Municipality, the Nieuwoudtville community and Conservation International convened a five-day workshop in Nieuwoudtville to develop a community vision for tourism that would benefit biodiversity and improve local livelihoods. Called a “Design Charette”, this opportunity brought together local residents and international consultants, subsistence farmers and architects, local shop owners and tourism specialists, scholars and conservationists. Up to 120 people from all walks of life met each day to discuss how tourism could help to create a brighter future for the people of Nieuwoudtville. It was the first time

Sustainable Tourism Development

“Tourism development must play a critical role in supporting the constitution’s commitment to improve the quality of life of all citizens, while protecting the natural environment for the benefit of existing and future generations. The policy is guided by the goals of reconstruction and development to meet basic needs, to develop human resources, to build the economy and to democratise the state and society.”

- White Paper on Sustainable Tourism Development



Porcupine heaven

*B*ulbs are so plentiful in the Nieuwoudtville area that as many as 10 000 have been counted in a single square metre of veld!

What is a Charette?

A charette is an intensive workshop organised to solve a specific design or planning problem in a short space of time. The process brings members of various sectors together into a flexible workshop format that generates consensus and practical design solutions relating to the particular problem. Although this process is widely used in other parts of the world, the charette in Nieuwoudtville was the first time this effective methodology had been implemented in South Africa. (The origin of the term 'charette' is that architecture students at the Ecole des Beaux Arts in France were given a design problem to solve within an allotted time. When that time was up, the students would rush their drawings from the studio to the Ecole in a cart called a charette. Students often jumped in the cart to finish drawings on the way.)



Rhoda Louw, an environmental scientist working in the Nieuwoudtville district, found the Design Charette inspirational: "I have never seen or heard of the kind of intra-community participation that we experienced during those five days."

Reasons to visit

Charette participants identified many reasons why Nieuwoudtville is worth visiting at any time of year:

- *Ancient geological formations*
- *Dramatic vistas and waterfall views*
- *Pioneer architecture*
- *Country guest houses and restaurants*
- *Hiking in Oorlogskloof*
- *Warm hospitality*
- *And, of course, the wild flowers*

in living memory that such a large and diverse group of people had met together in the town—it was certainly the first time that such a diverse group had listened to one another so intently.

During the Design Charette, Mr J F van Wyk, the Northern Cape MEC for Safety and Liaison, pointed out that Nieuwoudtville needed "a co-ordinated, integrated, and community-driven tourism development strategy" to enable the community to benefit from the "abundant assets" of the region. This is precisely what emerged from the workshop process. The group identified a theme that gave cohesion to the region's many tourism opportunities: "Experience Evolution: Nieuwoudtville, place of hidden treasures".

They have since chosen a logo for Nieuwoudtville tourism initiatives, and are working on an integrated system of interpretive signage for the natural, cultural and historical routes that are being developed.

In a region with rich but threatened biodiversity and many people in desperate need of employment, it was appropriate that the Design Charette focused explicitly on sustainable tourism development. The group established principles of responsible tourism development that would benefit the local community, and generated guidelines for

locally appropriate, eco-friendly design and construction.

The community identified three major projects:

- Redesigning the proposed upgrading of the caravan park according to eco-friendly principles;
- Constructing a new visitors' centre;
- Developing a community park in the town.

Plans to redevelop the existing caravan park had been set prior to the Charette. However, in a demonstration of commitment to community participation and sustainable development, the municipality halted its activities on the site, allowing the Charette process to transform their plans for a conventional upgrade of municipal facilities into an innovative, eco-friendly, community-oriented facility with the potential to become a year-round attraction.

Also during the Design Charette, three learners from Nieuwoudtville High School came up with the idea to develop a neglected and unattractive piece of land adjacent to the local taxi rank into a local park. A group drew up a proposals and one of the architects attending the Charette invited the learners to participate in a short internship at his office in Cape Town, where they helped to build a model of the planned visitor centre.

Tourism has the potential to stimulate complementary industries, such as crafts, products and services. The Charette gen-





erated a variety of innovative craft ideas, and identified local artists and crafters who could both benefit from tourism development and contribute to skills development in the community. As tourism routes are developed, the need for branded items—from route markers to tea towels—will grow. Who better to supply these items than the crafters of Nieuwoudtville?

Things are happening!

The Charette inspired many dreams, ideas and possibilities, and enabled the Nieuwoudtville community to develop their own vision for local tourism. A comprehensive report was published outlining the priorities identified by the Charette, and this is currently guiding the local task team and working groups that are responsible for developing and implementing more specific action plans.

Sustainable tourism is starting to take off in Nieuwoudtville. The caravan park has been redesigned, the Eco Chalets should be completed by mid-2006, and an eco-friendly rock pool has been built that is the pride of Nieuwoudtville. Although the Community Resource Centre has not yet been built, a tourism office has been opened in the town. It is staffed by two previously unemployed Nieuwoudtville residents who are honing their skills in tourism management through knowledge exchange visits to other tourism offices. Now the South African National Biodiversity Institute is conducting a feasibility study to develop a National Botanical Garden in the town..... watch this space!

A group of people with a passion for bulbs and other plants has formed an organisation growing and marketing indigenous seed under a fair trade label. The group, Seeds Aplenty, started in their first season with seed from Kirstenbosch



and is planning to expand their range by sustainably harvesting plants that will produce seeds and bulbs in the coming years. Seeds Aplenty exported their first seed to the United Kingdom under the Fair Trade label in December 2005.

Two biodiversity facilitators have been appointed and one of their roles is to support the recently established Eco-Club that involves the youth of Nieuwoudtville. Lu-Anne de Beer and Donna Kotze help teachers and learners from the local primary and secondary schools with biodiversity projects and field work during the term. With help from CREW they convene week-long summer and winter schools during the holidays. Learning about nature can only be fun when it includes activities like “Nieuwoudtville Survivor” and “Caterpillar race—stuff your face!”—complete with a biscuit-eating competition!

The youth love learning and are developing a deep respect for their town, reports Lu-Anne. “The Eco-Club started learning about the threatened plants of Nieuwoudtville. They realised that municipal workers were actually destroying some of these plants when they mowed and weeded the parks and verges. First they identified the threatened plants and marked their positions with wire. They then had a meeting with the municipality to ask them not to weed in areas where these plants grow.” This story reflects the spirit of the Nieuwoudtville Design Charette—every voice was listened to, every link in the chain was valued.



There was participation in the Design Charette from every part of the community.



The Eco-Club gets involved in all sorts of activities

(iii) CapeNature – exploring commercialisation

In the late 1990's, the provincial nature conservation function in the Western Cape was placed under the control of a new statutory board. At the time, the organisation could not realise its optimal potential, as support from government funding was declining. More importantly, the organisation was not able to retain its own funds or to aggressively seek other means of revenue-generation to support conservation. The C.A.P.E. programme was about to enter its implementation phase, and Board-status would enable the organisation to access donor funding for projects, in addition to generating income from other sources. Once established, the Western Cape Nature Conservation Board undertook many initiatives, one being a due diligence investigation into ecotourism.

It is now five years later. The Western Cape Nature Conservation Board has since become CapeNature, complete with a revamped corporate image. It is time to reflect: has its financial situation improved? The Annual Report for 2004/5 suggests that during this reporting period CapeNature experienced severe cash flow problems as a result of tourism revenues being below expectations.

So, what challenges has CapeNature faced as it has striven to become more financially sustainable? Have there been successes in the past five years, and what can we learn from their experiences?

To start with, becoming a Board did enable CapeNature to access significant amounts of funding during 2005: about R30 million in a single year, in fact, from state and private donors. More than two thirds of this amount represents poverty relief funding for projects like the development of a new hiking trail and employment of baboon monitors. During 2004 CapeNature received poverty relief funding from Umsobomvu for a Youth Service Programme (Chapter 6.4) as well as funding for invasive alien plant clearing. While this enabled CapeNature to achieve a number of its goals, there have been problems associated with some funding. Not least of these is the time lags between funding cycles, which causes projects to lose momentum. It was partly because a major provider of funding reduced its annual payment to CapeNature by

What have we learned?

- *Flower tourism is insufficient to create a sustainable tourism industry as it is seasonal, weather-dependent and appeals to a limited market; other aspects of nature, plus cultural, historical and adventure tourism are year-round attractions that can stimulate a local tourism industry.*
- *Participation and active involvement of all parts of the community takes time but once it is achieved it changes the community for the better.*
- *By bringing diverse sectors of the community together; the Charette process generated a much wider range of ideas that would otherwise have been the case.*
- *Awareness raising and increased networking with service providers and others have been important outcomes of this successful project.*
- *Local capacity development is crucial for local ownership and thus for the success of such a project.*





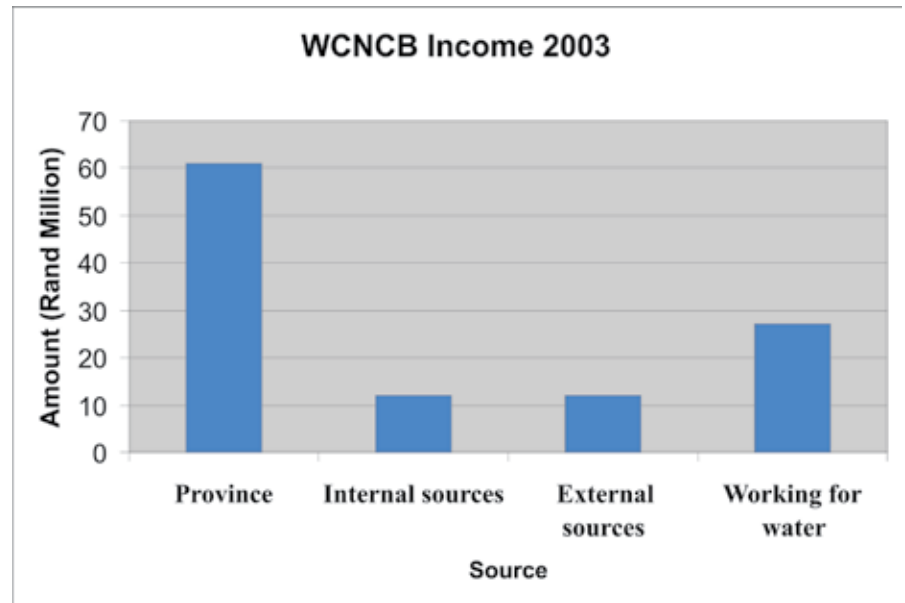
Adnaan Abrahams has the challenge of developing the potential of protected areas in the Western Cape to meet the needs of growing numbers of domestic and international visitors, and of ensuring that this results in a net increase in revenue for effective conservation management.

R1 million in 2004 that the organisation experienced serious cash flow problems in the last financial year.

Another problem associated with donor funding is that it is invariably project-linked and does not fund personnel or project administration costs. The money may be used for specified purposes only and the organisation generally has to contribute about 15% of the overall project budget. In the case of CapeNature, this amounted to R3.6 million over five years, placing a significant burden on their operating budget.

And what of commercialisation? How have plans progressed in the past five years? Currently, CapeNature earns income from accommodation, visitors, Wild Card subscriptions and the provision of permits and licenses for a range of activities, from filming to events. Ecotourism concessions, which were expected to contribute significantly to the income stream, take time to establish and have not yet generated sufficient income for the organisation.

In 2000, ecotourism looked like an obvious income-generating opportunity to explore. CapeNature undertook a due diligence audit, which identified 17 sites in 12 of its reserves where ecotourism products could be established. CapeNature planned to enter into formal Public-Private Partnerships (PPPs) with the hospitality industry, allowing investors to build and run lodges in return for a percentage levy on earnings. Outsourcing tourism operations to providers with



Income breakdown for 2003 reveals that government funding, although inadequate, outweighs combined income from donor funding and services.

experience in hospitality and marketing would allow CapeNature's staff to focus on their core business of conservation. CapeNature also anticipated that neighbouring communities would benefit from increased tourism, by being able to supply goods and services.

In 2003, CapeNature advertised a number of ecotourism concessions and invited businesses to tender. The response was



Income from tourism has risen steadily since CapeNature became a Board; however, this represents a very small proportion of the organisation's total operating budget.

very poor and there are currently two PPPs in the pipeline, one at Robberg and the other at De Hoop Nature Reserve. It is important to understand why this plan has been so slow to bear fruit. Adnaan Abrahams, Director of Business Development for CapeNature explains that, despite being a Board, CapeNature must comply with government PPP application procedures, which are particularly onerous and time-consuming. Few potential business partners are willing to get

Time to reflect ...

The difficult financial situation in which CapeNature found itself is of concern to C.A.P.E. for a number of reasons. CapeNature is one of C.A.P.E.'s key institutional partners, responsible not only for rolling out a number of donor-funded projects but also for managing 5 000 km² of protected areas in the Western Cape. The success of the C.A.P.E. programme and the future of biodiversity in the Western Cape relies on the effective functioning of this major conservation agency.



bogged down in the bureaucratic mire of lengthy studies, thick reports and negotiations.

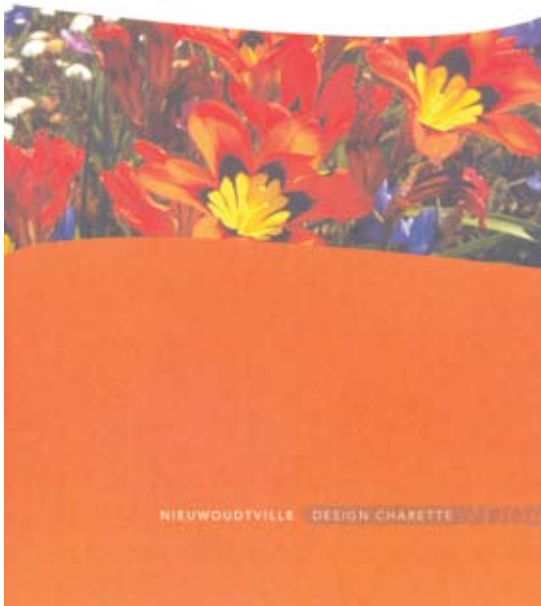
Business partners may also not purchase the State land upon which they develop their tourist facilities; nor is CapeNature, as a parastatal agency body, permitted to borrow money to invest in infrastructure. So the private partner stands to lose any investment made in infrastructure upon termination of the PPP contract. An investor would far rather purchase their own property outside of the protected area where their investment in infrastructure will be secure. Add to this the fact that CapeNature wished to restrict infrastructure development to already developed sites within the reserves (which were seldom the most appealing to developers), and it is not surprising that what had initially looked like a winning combination started to feel bogged down in complexity.

Furthermore, in trying to fulfill its many obligations to government, CapeNature placed too many demands on its potential partners. Not only would they be expected to pay a levy to the organisation, but their developments would be subject to exacting environmental

standards, their activities in the reserve would be limited, and they would be expected to contribute to black economic empowerment as well as job creation and social upliftment in neighbouring communities. In a region that does not actually have a well-established safari lodge culture, investors had ample reasons not to engage in a PPP with CapeNature, however socially responsible this would be.

CapeNature has certainly learnt a great deal about PPPs over the past three years, not least that these agreements take a lot longer to set up than initially anticipated. As a result, they have been actively negotiating more workable agreements with government and potential business partners. The first concessions will probably come on stream in 2006, whereupon the next phase of learning will begin.

The greatest tourism success during this period has been the Whale Trail at De Hoop Nature Reserve, one of the complex of sites making up the Cape Floristic Region World Heritage Site. Offering world-class land-based whale watching opportunities and stunning coastal and mountain scenery, this five-day hiking trail is booked out a year in advance. Hikers have the option of having their packs delivered to the cabins, which provide basic creature comforts like electricity and hot showers, so the trail appeals to a wide audience. CapeNature is keen to develop similar trails in other reserves, but a lack of investment funding is



hampering developments. They have, however, recently received poverty relief funding to develop a second whale trail, this time for the “high-end” tourist.

In the face of insufficient financial support from provincial government, CapeNature is looking at providing a mixture of products for all income groups. Currently CapeNature does not offer any high-end tourist facilities, and is looking at adding a few such facilities to boost income. “We can afford to employ three staff members for every high-end tourist, but we actually make a loss providing accommodation for the middle income self-catering visitor who has traditionally stayed in our protected areas” says Adnaan. He believes that CapeNature can no longer afford to use core funding to subsidise visitor accommodation, as their first priority is biodiversity conservation. This financial predicament has forced them to ask some tough questions, like: “Is free or subsidised access to reserves part of CapeNature’s mandate?” and “What is the benefit of access to biodiversity?”

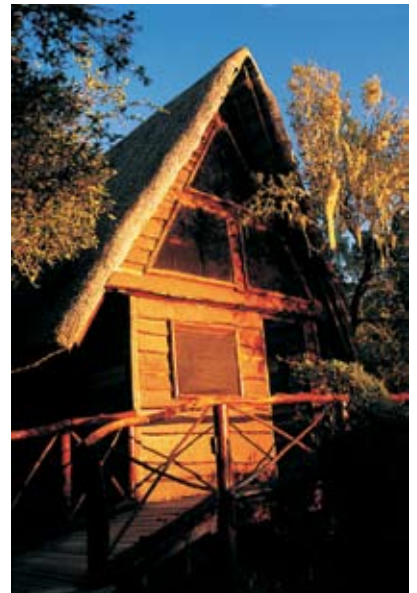
CapeNature has in the meantime had many discussions with the Ministry and Provincial Government regarding the organisation’s financial position. Provincial government fully understands, and the provincial treasury agrees, that the organisation is unsustainable at current levels of government funding. CapeNature anticipates a positive response to its request for greater funding in the future. In fact, the Western Cape provincial government recently provided R15 million for capital improvements. This is a sure sign that provincial government is keen to see CapeNature adequately funded and achieve its potential.

What have we learned?

- *Becoming a Board gave CapeNature access to funding that they would not have been able to use as a government department.*
- *Donor funding is no substitute for core funding from government; without adequate core funding for staff and project administration, spending donor funding can put a strain on the organisation.*
- *CapeNature, as a major landholder in the province, has the*

potential to help the provincial government fulfill its job creation mandate, particularly in rural areas.

- *Delays in receiving donor funding can put an organisation under serious financial pressure, especially if it has to provide bridging finance for projects that are already underway.*
- *While poverty relief funding enables conservation organisations to accomplish numerous tasks, it does not provide neighbouring communities with stable employment, and more sustainable funding streams are essential.*
- *Trying to address too many imperatives through any single commercial venture is unrealistic. Making money, addressing the socio-economic development needs of neighbours, and promoting Black Economic Empowerment are all important goals, but should be accomplished as part of an overall commercialisation strategy, not necessarily by each individual project.*



A range of experiences is offered by CapeNature.



