

## CEPF FINAL PROJECT COMPLETION REPORT

<b>Organization Legal Name:</b>	World Wide Fund
<b>Project Title:</b>	Consolidation of Conservation Gains: Engaging the Business Sector in South Africa
<b>Date of Report:</b>	December 14, 2011
<b>Report Author and Contact Information</b>	Tatjana von Bormann. tvbormann@wwf.org.za

**CEPF Region:** Cape Floristic Region

### **Strategic Direction:**

This project is directly linked to Priority 4 of CEPF Consolidation Grant investment to CFR: Engagement with the Business Sector. Much progress has already been made in engaging some business sectors; however there is a great need to develop a strategy to replicate and scale up these efforts, and to expand into other industries. This project aims to do exactly that: undertake an audit to understand how exactly existing initiatives contribute to biodiversity conservation in the CFR and thereafter, to guide future investments to ensure greatest biodiversity benefits are accrued. Simultaneously, GreenChoice will actively support existing and emerging business and biodiversity initiatives, by providing services and undertaking activities that assist initiatives to achieve sustainability (please see proposed LOI for more detail).

**Grant Amount:** \$106,651.00

**Project Dates:** 2008/7/1-2011/9/30

### **Implementation Partners for this Project (please explain the level of involvement for each partner):**

1.) C.A.P.E.

GreenChoice worked closely with the CAPE project through its duration. I sat on the Biodiversity messaging advisory group. Sophie Susman supported the data capturing of the CAPE M&E process. We provided news for the regular newsletters, contributed to their lessons learnt process and other documents produced. Similarly, CAPE as a member of the GreenChoice Alliance contributed to the learning and processes of the GreenChoice project.

2.) CapeNature

CapeNature was engaged at the beginning of the project to help inform the process for engaging business to ensure consolidation gains. Also engaged through the Rooibos task team. However, in the later months of the project the engagement was more indirect through the Business and Biodiversity initiatives stewardship efforts.

3.) Rooibos Council of South Africa

Rooibos, as one of the few products being actively develop for market by the Right Rooibos project formed an important part of the GreenChoice business engagement efforts. Work closely with the Rooibos Council throughout the project. This included supporting their marketing efforts for sustainable Rooibos, helping source additional funding (over E120 over the three years) for Right Rooibos and assisting in the development of a sustainable Rooibos production standard. An important part of the work was engaging international ecolabels to ensure that new Rooibos standards adopted the local learning and helped ensure conservation gains. See more on this under lessons learnt.

4.) Potatoes South Africa

The engagement with Potato South Africa was through their participation in GreenChoice workshops and other outreach events. Engaged directly with their extension officer throughout the duration of the project. Also submitted proposals on their behalf to potential funding sources.

5.) WWF-South Africa

As an employee of the WWF my work with GreenChoice was embedded in the WWF framework and although the WWF direct funding of GreenChoice has come to an end the organisation has committed to continuing the business engagement objectives through its newly launched market transformation initiative.

6.) Conservation International South African Hotspots Programme

The GreenChoice secretariat comprised a WWF and CI staff member, which required us to work closely together. This collaborative approach helped build stakeholder confidence and drew WWF and CI closer together to create a shared approach to solving conservation challenges.

7.) Flower Valley Conservation Trust

Flower Valley also offered a market ready product which gave me an opportunity to engage with retailers on their behalf and work closely with their business development manager.

8.) Biodiversity and Wine Initiative (Botanical Society of South Africa)

BWI has now become a project of WWF and this fact coupled with the fact that there was a product to offer retailers meant that I had direct engagement with the initiative on a daily basis and will continue to support their efforts.

9.) Wilderness Foundation (Citrus Initiative)

The citrus work was focused at landscape level engagements and therefore there was less interaction at a market level.

## Conservation Impacts

***Please explain/describe how your project has contributed to the implementation of the CEPF ecosystem profile.***

***Please summarize the overall results/impact of your project.***

### **Planned Long-term Impacts - 3+ years (as stated in the approved proposal):**

To promote conservation of the Cape Floristic Region (CFR) critical biodiversity area by maintain streaming business and biodiversity project guidelines into related industry's agricultural practices

### **Actual Progress Toward Long-term Impacts at Completion:**

The key successes in this have been in wine, wild harvested flowers and Rooibos, which together account for a considerable proportion of the farming practices in the CFR.

In wine the principles of BWI have been incorporated into the new audit criteria for the bottle neck bus ticket label, which all export producers are required to be audited for. The label reads, Integrity and Sustainability, and is directly linked to the audit requirements of BWI.

The Right Rooibos standard is now complete and being rolled out in the farming community. To date 40% of production is from Right Rooibos member farms and this number will continue to grow, the only limiting factor being the fact there that there is only one extension officer. The Right Rooibos learning has also been incorporated into, UTZ, the European eco-label which created an entirely new standard for Rooibos based on the learning of the business and biodiversity initiative. Rainforest Alliance has also been engaged to consider a unique appendix for its Rooibos audit.

While Fynbos conservation and the sustainable harvesting thereof remains paramount, the Flower Valley Trust has also started playing a broader landscape conservation role – in itself, and with our partners in the Agulhas Biodiversity Initiative (ABI).

### **Planned Short-term Impacts - 1 to 3 years (as stated in the approved proposal):**

To sustain and consolidate the early successes of the CFR business and biodiversity initiatives through interactions with retailers, which leads to achieving integrated supply and demand of the products produced by the initiatives.

### **Actual Progress Toward Short-term Impacts at Completion:**

In the course of the GreenChoice project only one project – BWI – offered something that could be directly marketed to all wine buyers. This led to fruitful engagements with retailers, restaurants and specific event organizers. Almost every major retailer in SA has made an effort to support BWI members and Woolworths, has committed to 90% of its wine inventory being from BWI members.

Flower Valley's products continue to be available both locally and internationally. The biggest uptake has been from Pick n Pay which has also worked to design unique and appropriate packaging and labeling for the flowers.

As there was not actually a full basket of products to market to the retailer GreenChoice worked to ensure that retailers understood the environmental and social impacts of their sourcing of products from the CFR. GreenChoice assisted retailers through capacity building events and regular one on one meetings. GreenChoice also partnered with retailers and manufacturers in commissioning biodiversity related research, hosting events and producing marketing collateral. There is now far greater awareness and commitment from retailers to ensure that the CFR is not negatively impacted by uninformed sourcing practices.

Over the course of the project the understanding of the concept of biodiversity has grown within in the market. Wines of South Africa (WOSA) now uses the CFR's rich biodiversity as one of the primary market value propositions for South African wines.

### **Please provide the following information where relevant:**

**Hectares Protected: 127292 (412011 outside protected areas)**

**Species Conserved:**

**Corridors Created:**

### ***Describe the success or challenges of the project toward achieving its short-term and long-term impact objectives.***

The challenge was primarily the fact that the biodiversity friendly products of the CFR are for the most part still in development. But this was dealt with – as explained above.

The success was primarily in helping shift the market to a greater awareness of the need to respond to the urgent need to protect not just biodiversity but all the services of functioning, healthy ecosystems.

The ultimate success is that both CI and WWF will continue to commit to this important area of work after the end of the grant period.

### ***Were there any unexpected impacts (positive or negative)?***

## **Project Components**

**Project Components:** *Please report on results by project component. Reporting should reference specific products/deliverables from the approved project design and other relevant information.*

**Component 1 Planned:** Growth in sales of biodiversity-friendly products results from committed retailers and a more informed consumer base.

### **Component 1 Actual at Completion:**

**There is no doubt that the majority of retailers are now more committed to biodiversity conservation. And although South Africa has a complex economy with consumers of all levels of economic development there is also a growing understanding of the concept of biodiversity. Considerable marketing material and producer capacity developing tools have been created over the course of the project which generated a good amount of free media coverage. GreenChoice has been invited to present at numerous conferences and**

events, including most recently on an international Business and Biodiversity panel at COP17.

The GreenChoice brand has strong credibility and has generated good in kind and cash support for its work and for that of the Business and Biodiversity Initiatives.

The footprinting technique developed by GreenChoice for the dairy life cycle analysis has generated extensive interest and there is now opportunity to do two further studies of this nature.

The sales of biodiversity friendly products are still limited to BWI wine and the niche product, Flower Valley wild harvested flowers. Of the two BWI wines have probably grown more significantly, however, there is growing demand for the Flower Valley Conservation Sustainable Harvesting Programme, which will translate into more product available on the market.

***Were any components unrealized? If so, how has this affected the overall impact of the project?***

It was thought at the outset that there would be a growing basket of sustainably produced products to take to the market, this was not the case. The reality is that instituting biodiversity sensitive practices in the production landscape is challenging and potentially expensive and positive impacts are difficult to monitor in the short term. For this reason getting sufficient producer buy-in to create an audited product requires developing a long term strategy and GreenChoice is still working to support the development of those products as opposed to being able to offer them already packaged to the market.

This, however, did not necessarily lessen the impact of the project but rather caused a refocusing on educating the market and encouraging retailers to use their market leverage to champion a faster adoption of biodiversity friendly production practice.

***Please describe and submit (electronically if possible) any tools, products, or methodologies that resulted from this project or contributed to the results.***

Submitted electronically via Dropbox:

GreenChoice Booklet

Living Farms Reference

The Living Farm Poster (English and Afrikaans)

Guide to using Living Farm Poster (English and Afrikaans)

Right Rooibos Socio-Economic study

Right Rooibos factsheet

Potatoes Rooibos

Rooibos poster

Eco-schools learning material

Dairy LCA

Good Dairy guidelines

Script for the BBI DVD (DVD too big to send)

Pic of BWI Woolworths shopping bag and pocket card

GreenChoice lessons learnt document

Two examples of the GreenChoice newsletter

Agriculture Facts and Trends publication

## **Lessons Learned**

***Describe any lessons learned during the design and implementation of the project, as well as any related to organizational development and capacity building. Consider lessons that would inform projects designed or implemented by your organization or others, as well as lessons that might be considered by the global conservation community.***

***Project Design Process: (aspects of the project design that contributed to its success/shortcomings)***

A roadmap with clear targets and dates must be developed at the outset. This should include some or all of the following:

- A sound vision and a long term view – minimum 7 to 10 years with the possibility of scaling up;
- An assessment of the biodiversity gains requires clear knowledge of these and weighting against intended outcomes to determine whether the aim is better practices and or ecosystems service;
- Determining targets on a case by case basis;
- Establishing a baseline and monitoring and evaluation requirements;
- Identify partners and supply chain lever points; strategy roll out dependent on the nature of the industry, for instance in Rooibos few buyers control the value chain;
- Key target audiences for the message but also credible sources and conveyers of that message; and
- A statement on what success would look like.

***Project Implementation: (aspects of the project execution that contributed to its success/shortcomings)***

1. Advocacy – the balance of interest for better farming practices appears to sit more with interest groups such as conservation organizations. Limited success has been achieved in embedding BMPs into industry. This raises the issue of selecting suitable industries or points of engagement to ensure productive efforts. It is suggested that point of engagement be prioritized as:
  - Industries in Critical Biodiversity Areas (CBAs) or High Value Conservation Areas (HVCs)
  - Industries or businesses active in CBAs/HVCs and have a willingness or market conditions which require they take action
2. Business engagement is vital in order to provide support across the supply chain. In South Africa where market power is concentrated in five major retailers and ten top food and beverage companies control 68% of the market business is an important potential lever for change in the system. However, the challenge is engaging business early in the process to ensure a sustainable conservation initiative. To do this it is necessary to present the issue in such a way that the business sector recognizes it as an operational necessity i.e. managing supply risk, reputational risk or ensuring good quality produce. Demonstrating the value can take a number of forms. If the intention is to create a product then the type of product is key – unique in some way and market ready. If it is to prompt BMPs then some form of research demonstrating the risk is an ideal door opener. An example is where a major SA retailer is prepared to buy meat from BBIs and other livestock farmed sustainably since this will improve their reputation. Similarly, the dairy life cycle assessment has aided in demonstrating the massive environmental impact of current farming practices and encouraged manufacturers and retailers to conduct further research and develop better practice standards. In each case the tool which ensures leverage will be different but finding the right one is key to encouraging the business sector and government to invest financial and other resources in protecting and restoring healthy ecosystems which have the to sustain growth.
3. Set a baseline and then measure, and measure what matters, take a long term view, recognizing that we “don’t yet know what we need to know”. Budget should include monitoring and evaluation (M&E) to answer the question: ‘Does belonging to a BBI/certification scheme really reduce the identified threat?’ Regarding M&E, the use of Participatory Action Research (PAR) is very useful in capacity building and changing behavior. Examples of this are the GreenChoice Farmer Field Books, comprising record keeping books and Excel or software platforms for farmers to monitor their on-farm

activities (e.g. in citrus and rooibos). This involves farmers in their own monitoring while also providing indicators for success to GreenChoice. The weakness of this approach is that there is little means of verifying the data collected. Farmers take part in Farmer Study Groups where data is aggregated and discussed, providing some peer-to-peer learning and peer pressure to report accurately. Nonetheless, the record keeping cannot be verified, except where documentation exists on e.g. pesticide purchases, etc. This weakness of the PAR approach means that ideally it should be supplemented with Primary Data Collection (PDC), e.g. such as mapping of areas. Other areas of PDC could center on specific indicators in the form of research projects. In future funding cycles, provision for PDC should be considered.

4. Involvement in certification can provide incentive for an industry to adopt or speed adoption of better practices, e.g. Rooibos. It should be recognized that certification is a market mechanism that may not be suitable for all cases. Conservation organizations which take on auditing and Eco label schemes need to consider that:
  - Certification is a full time business, requiring considerable marketing effort;
  - Optimal engagement can be achieved indirectly via input into an existing scheme rather than having to create and administrate a new label e.g. Utz and Right Rooibos, Woolworth Free to Roam and the Biodiversity Red Meat Initiative;
  - Price premiums for farmers rarely materialize;
  - The South African consumer has not yet demanded ecolabelling;
  - NGOs should not be standard holders if this is not a core competency; and
  - Certification requires transparent participative processes.
5. Context is everything: It is essential to learn about the market and its intricacies. BBI's are hard enough without trying to carve out a niche in a market that is unregulated or disinterested.
6. Transparent stakeholder involvement needs to occur from the beginning; BWI shows the value of engaging industry at the outset. Similarly, international ecolabels have engaged Rooibos stakeholders in defining standard criteria thus ensuring buy in from producers and marketers

***Other lessons learned relevant to conservation community:***

1. The BBI's have shifted focus over time, from pure biodiversity initiatives to broader best practice of both social and environmental considerations. Also initially the drive was not to mainstream into the industry and now there is a shift towards broader engagement with best practice principles imbedded in organized industry approaches. In supplier standards it has also been recognized that biodiversity conservation is not always an effective indicator as landscape level changes can be slow and take a long time to reflect in measurements. The recommendation then is that, in order to engage a key government and business stakeholders, broader social and environmental considerations are factored in at the outset.
2. Conservation organizations aim to make a positive change in the landscape. However to do this it is necessary to make the economic case to people and farmers explaining the cost of environmental degradation in economic terms. This case is generally not well made and the issue of who presents it also needs more consideration. It needs to come from credible source, ideally one with an existing relationship to the business, industry would be ideal. The conservation sector can create the enabling conditions framing the case in such a way that it is easy for others to promote.
3. Extension capacity within BBIs is vital. The collapse of the government extension services means that BBIs play a vital role in supporting not just better practices but farmer learning and prosperity. It is also vital to ensure that conservation principles are

accessible to farmers in all states of development. The success of various BBIs has depended on individuals committed to the concept of biodiversity and conservation in farming. The lessons learnt, or the 'best' principles distilled from these experiences by the BBIs, should be used to inform government extension where possible. An ideal opportunity for this has arisen through a Dutch funded project to develop a sustainable agriculture curriculum at the short course and university level. GreenChoice and the BBIs will feed into this project from 2011-2014. It is possibly also a logical progression in the development of GreenChoice to go beyond producing guidelines and trend documents to offer training in field, in government departments and in business on what the documents mean and how to use them.

4. As consumer interest in sustainable products grows the conservation sector must guard against business partners using negligible conservation gains as an opportunity to greenwash the product or business. Similarly, there is an opportunity for conservation organisation to play a watchdog role on actual achievements of industry production standards and claims.
5. Government's role in creating enabling conditions should not be underestimated. Business can play a major role in harnessing market forces for conservation but this requires an enabling policy environment for market-based solutions to function. Current agricultural legislation supports many identified conservation goals; however, government needs to ensure the effective and consistent implementation of existing regulations as well as investment in agricultural extension capacity in order to see legal compliance. However, South Africa's government is not well placed to have a hard discussion with business or farmers to demonstrate that practices are not what they should be. Also government tends to be 'gentle' in their approach so that by the time they have policies or enforcement in place industry is already meeting the target.
6. There is a natural tension between the private sector's profit motives and the NGO open source approach. Considerable investment from the conservation community in research and establishing better practices is often capitalized on by businesses to gain market advantage. This in itself is not a bad thing if it helps entrench the conservation gains, however, NGO's should ensure that the conservation objectives, recognition, and ideally funds, are secured. This is a key consideration in the sustainability of NGOs but is difficult to achieve without close working relationships with the corporate sector and a sophisticated negotiating capacity. These strategic partnerships, managed correctly, can add value, and help to further conservation aims but NGOs must define their unique value proposition in order to avoid simply promoting private sector profit objectives. Similarly, where possible BBI's should avoid offering exclusivity to private sector partners.
7. The conservation sector has in certain instances oversold the potential benefits to farmers and local communities of better management practices. This has led to frustration and mistrust. Better management of expectations is necessary to ensure cooperative and interested farmers.

#### BUSINESS AND BIODIVERSITY 'BEST' PRINCIPLES – LEARNINGS FROM GREENCHOICE

A distillation of guiding principles for the development of BBI's.

- Don't put your money, expertise and energy where there is no potential.
- Look for places where there is motive for change, coupled with strong regulatory controls, existing impetus and significant influence.
- Meet the producers, industry and business where they're at; listen and understand the sensibilities.
- Theory is required to support the practice – you need to act out of something i.e. dairy LCA or M&E.





### Additional Funding

**Provide details of any additional funding that supported this project and any funding secured for the project, organization, or the region, as a result of the CEPF investment in this project.**

Donor	Type of Funding*	Amount	Notes
WWF Green Trust	A	\$211 267	Salary, research projects
Netherlands Embassy	B	\$84507	Right Rooibos

**\*Additional funding should be reported using the following categories:**

- A** *Project co-financing (Other donors or your organization contribute to the direct costs of this project)*
- B** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF funded project.)*
- C** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

### Sustainability/Replicability

**Summarize the success or challenge in achieving planned sustainability or replicability of project components or results.**

A significant learning opportunity for a replicable approach to business and producer engagement was provided in the process of the dairy life cycle analysis (LCA). In previous BBIs development has centered on the recognition of a need, followed by a landscape level intervention. In dairy we knew there was significant environmental impacts in the CFR from farming practices but had no cohesive evidence. Using world class consultants, who partnered in the research and share copyright, ensured a powerful product - SA's first food product full value chain assessment. The results of holding this unique piece of research is that we have a powerful calling card for engaging actors throughout the supply chain and the basis from which to develop best principles for better dairy farm management principles.

In future we may well aim to have a similar approach to landscape interventions - using a unique tool or research to start the engagement and improve the bargaining power of the conservation sector, with whom the balance of interest in better practices tends to sit.

It was our intention to be able to repeat the LCA approach during the GreenChoice CEPF consolidation period and although this was not achieved it does appear that retailers and industry bodies may be interested in replicating this approach.

It was planned that WWF embed this work within its business engagement approach at the end of the grant period to ensure sustainability and this has been achieved.

**Summarize any unplanned sustainability or replicability achieved.**

### Safeguard Policy Assessment

**Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.**

**Additional Comments/Recommendations**

## Information Sharing and CEPF Policy

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned, and results. Final project completion reports are made available on our Web site, [www.cepf.net](http://www.cepf.net), and publicized in our newsletter and other communications.

**Please include your full contact details below:**

Name: Tatjana von Bormann  
Organization name: WWF  
Mailing address: P O Box 23273, Claremont, 7735  
Tel: 27 21 657 6600  
Fax: +86 535 9433  
E-mail: [tvbormann@wwf.org.za](mailto:tvbormann@wwf.org.za)

**\*\*\*If your grant has an end date other than JUNE 30, please complete the tables on the following pages\*\*\***

**Performance Tracking Report Addendum**

**CEPF Global Targets**

**(Enter Grant Term)**

Provide a numerical amount and brief description of the results achieved by your grant.  
Please respond to only those questions that are relevant to your project.

<b>Project Results</b>	<b>Is this question relevant?</b>	<b>If yes, provide your numerical response for results achieved during the annual period.</b>	<b>Provide your numerical response for project from inception of CEPF support to date.</b>	<b>Describe the principal results achieved from July 1, 2007 to June 30, 2008. (Attach annexes if necessary)</b>
1. Did your project strengthen management of a protected area guided by a sustainable management plan? Please indicate number of hectares improved.	No			Please also include name of the protected area(s). If more than one, please include the number of hectares strengthened for each one.
2. How many hectares of new and/or expanded protected areas did your project help establish through a legal declaration or community agreement?	Yes	13751	26297	These are stewardship agreements of varying levels. The exact status of the agreements within the wine, rooibos and potato industries is still to be established by mapping within M&E. The contribution from the Flower Initiative is all informally conserved while the amount of land conserved within citrus, although some 89% is natural, is not formally conserved.
3. Did your project strengthen biodiversity conservation and/or natural resources management inside a key biodiversity area identified in the CEPF ecosystem profile? If so, please indicate how many hectares.	Yes	19418	127292	
4. Did your project effectively introduce or strengthen biodiversity conservation in management practices outside protected areas? If so, please indicate how many hectares.	Yes	19418	412011	
5. If your project promotes the sustainable use of natural resources, how many local communities accrued tangible socioeconomic benefits? Please complete Table 1 below.	Yes		5	

**If you answered yes to question 5, please complete the following table**

**Table 1. Socioeconomic Benefits to Target Communities**

Please complete this table if your project provided concrete socioeconomic benefits to local communities. List the name of each community in column one. In the subsequent columns under Community Characteristics and Nature of Socioeconomic Benefit, place an X in all relevant boxes. In the bottom row, provide the totals of the Xs for each column.

Name of Community	Community Characteristics							Nature of Socioeconomic Benefit														
	Small landowners	Subsistence economy	Indigenous/ ethnic peoples	Pastoralists/nomadic peoples	Recent migrants	Urban communities	Communities falling below the poverty rate	Other	Increased Income due to:				Increased food security due to the adoption of sustainable fishing, hunting, or agricultural practices	More secure access to water resources	Improved tenure in land or other natural resource due to titling, reduction of colonization, etc.	Reduced risk of natural disasters (fires, landslides, flooding, etc)	More secure sources of energy	Increased access to public services, such as education, health, or credit	Improved use of traditional knowledge for environmental management	More participatory decision-making due to strengthened civil society and governance.	Other	
									Adoption of sustainable natural resources management practices	Ecotourism revenues	Park management activities	Payment for environmental services										
Heiveld	X	X	X						X													
Agulhas			X			X				X												
Wine farm			X								X											
<b>Total</b>	<b>1</b>	<b>1</b>	<b>3</b>			<b>1</b>			<b>1</b>	<b>1</b>		<b>1</b>	<b>2</b>					<b>3</b>				

If you marked "Other", please provide detail on the nature of the Community Characteristic and Socioeconomic Benefit:

