

# CEPF SMALL GRANT FINAL PROJECT COMPLETION REPORT

## I. BASIC DATA

**Organization Legal Name:** Environmental Monitoring Group

**Project Title (as stated in the grant agreement):** *Developing a Wild Rooibos Business Strategy for Sustainable Marketing*

**Implementation Partners for This Project:** Wupperthal Rooibos Tea Association and the Heiveld Co-operative Ltd.

**Project Dates (as stated in the grant agreement):** December 1, 2006 - December 31, 2008

**Date of Report (month/year):** September 2009

## II. OPENING REMARKS

This project was developed to contribute to the achievement of strategic funding direction two of CEPF: Promote innovative private sector and community involvement in conservation in landscapes surrounding CFR biodiversity corridors. This report covers the period to 31 December 2008.

The project worked to support two small-scale producer organizations to develop a production and marketing strategy for wild rooibos, which is herbal tea manufactured from the endemic sub-species of *Aspalathus linearis* with the intention of actively promoting the conservation of the species as well as the biodiverse fynbos in which it occurs. A marketing campaign has been designed to promote biodiversity conservation and encourage the consumer to purchase products that are produced in an environmentally sustainable manner for markets in the US, Europe and South Africa.

## III. NARRATIVE QUESTIONS

1. What was the initial objective of this project?

By late 2008, two small-scale rooibos producer organisations (Wupperthal and Heiveld) will have developed a common approach to regulation and certification of wild harvest of rooibos that promotes and ensures that this resource is only harvested on a sustainable basis. The two organisations will have generated a joint marketing strategy to market all wild harvested rooibos as “sustainably harvested”, and will be selling the product at a price at least 10% higher than that of cultivated rooibos.

2. Did the objectives of your project change during implementation? If so, please explain why and how.

No.

3. How was your project successful in achieving the expected objectives?

Overall the project was only partially successful in achieving its objectives. The two producer organizations did adopt a common approach to the management of wild

rooibos populations, but Wupperthal did not develop its regulatory environment, and it was therefore not possible to fully develop the intended joint marketing strategy. Only the Heiveld Co-operative developed a sound regulatory environment and was able to market its wild rooibos at a price that is more than 10% higher than the market price of cultivated rooibos. Heiveld Wild Rooibos is currently successfully marketed at sound prices in the US, Europe and South Africa.

It was expected that the project would result in sustainable harvesting strategies for wild rooibos have been developed by the Wupperthal Rooibos Tea Association and the Heiveld Co-operative, that these would be followed by all harvesters and that monitoring and enforcement would take place at the processing facility. This expectation was realised in the case of the Heiveld Co-operative, but not the Wupperthal Rooibos Association.

Populations of endemic sub species of *Aspalathus linearis* have been conserved in the Suid Bokkeveld.

The following describe the progress made towards specific deliverables:

- 1.1. Exchange visits between farmers and staff of the Heiveld Co-operative and the Wupperthal Rooibos Association.

A joint meeting between the Board of the Heiveld Co-operative and the Management Committee of the Wupperthal Rooibos Association took place in March 2008, and included discussion on how best to collaborate to promote the sustainable use of natural resources including the sustainable harvesting of wild rooibos.

- 1.2. Training and mentorship in control and traceability systems for the processing facility to ensure sustainable harvesting.

Training and mentorship was provided to the management and staff of the Heiveld Co-operative. Wupperthal had not developed the requisite policy on sustainable harvesting due to on-going conflict between the Wupperthal Rooibos Association and the Moravian Church relating to ownership and use of the wild rooibos resource. Using other resources, training in traceability systems was provided to members of the Wupperthal Rooibos Association in 2009 despite the fact that the requisite policy on sustainable harvesting was not in place.

- 1.3. Heiveld policy and control systems up-dated in line with the guidelines for sustainable harvest.

The Heiveld Co-operative revised its policy and control systems in 2007 in line with the guidelines, and it was not necessary to revisit these in the 2008 season.

- 1.4. Policy consistent with the guidelines for sustainable harvest set out in the Sustainable Harvesting Manual is developed and adopted by the Wupperthal Rooibos Association.

The tensions about ownership of the product and determination of the responsibilities for management of the Wupperthal wild rooibos resource prevented the development of the proposed policy. Once more in 2008 the Wupperthal Rooibos Association and the Moravian Church decided not to process any wild harvested rooibos, and the resource gained a further year of respite. The excellent rains of the past 3 seasons combined with the extensive rest that the wild rooibos has enjoyed will enhance the regeneration of the populations.

1.5. Appropriate control systems to ensure that only sustainably harvested wild rooibos is processed are developed with, and implemented by the Wupperthal Rooibos Association.

The control systems have yet to be developed (see 1.4, above)

2.1. Trading partners of Wupperthal Rooibos and the Heiveld Co-operative are equipped with marketing materials for wild rooibos.

The promotional brochure for wild rooibos was distributed at the BioFach in February 2008 (an international organic trade show), and has been more widely distributed amongst traders and consumers in South Africa, Europe and North America.

The internet has remained an important vehicle for promoting harvested wild rooibos and fair trade importers in Europe and North America. Currently the websites of traders in four countries (France, the USA, the UK and Germany) provide on-line advertising for wild rooibos from the Heiveld Co-operative:

[http://www.altereco.com/fr/nos-produits\\_fiche\\_143\\_the-rouge-rooibos-sauvage-vrac.html](http://www.altereco.com/fr/nos-produits_fiche_143_the-rouge-rooibos-sauvage-vrac.html)

<http://www.lwrcoffee.com/ProductInfo.aspx?productid=13204>

<http://smallfarmersbigchange.coop/eco-projects/south-africa/>

<http://www.equalexchange.co.uk/products/product.asp?id=27>

[http://www.dwp-rv.de/dateien/Heiveld\\_Projektbeschreibung.pdf](http://www.dwp-rv.de/dateien/Heiveld_Projektbeschreibung.pdf)

These websites also contain an element of consumer education, including on issues relating to biodiversity conservation. The project has provided the traders with relevant information that they are able to translate into advertising copy.

2.2. The web site of the Heiveld Co-operative is re-designed as an effective marketing tool for wild rooibos

The website was redesign in October 2008, reflecting the Heiveld's success in the BBC World Challenge.

2.3. Contracts negotiated between producers, producer organizations and traders for certified wild harvested rooibos guarantee prices at least 10% above the market prices for cultivated rooibos

Sustainably harvested wild rooibos marketed by the Heiveld Co-operative has maintained prices in excess of 10% above the price for organic rooibos tea. Prices paid to producers (R18/kg vs. R16/kg in 2008, and R18/kg vs. R15/kg projected for 2009) have also reflected the premium. These prices are reflected in sales contracts as well as contracts between the producers and the Heiveld Co-operative. As previously reported, Wupperthal has not yet negotiated contracts for sustainably harvested rooibos either with harvesters or with traders.

3.1 Participatory monitoring of wild rooibos populations by the producer organizations

On-going monitoring of populations has been undertaken by members of the Heiveld Co-operative. As previously reported at Wupperthal, the lack of clarity and conflict regarding responsibility for the resource has prevented active monitoring.

4. Did your team experience any disappointments or failures during implementation? If so, please explain and comment on how the team addressed these disappointments and/or failures.

Yes: despite initial commitment to implementing the project on the part of the Wupperthal Rooibos Tea Association and the Supervisory Board of the Wupperthal Church, profound conflicts between these two bodies that developed during 2007 and continued throughout 2008 prevented the necessary co-operation from taking place, without which effective regulation and management would not have been possible.

The project team sought to bring the two sides together, and drew their attention to the necessity of this to promote the economic interests of the community and the long term sustainability of the resource.

Unfortunately the management and leadership of the Wupperthal Rooibos Tea Association had lost touch with its membership, and was not acting in terms of its mandate. It failed to convene Annual General Meetings at which elections could take place in 2007 and 2008 (despite the requirement for such in the organization's constitution). The project team encouraged the leadership to renew its mandate and hold elections, but in the event elections only took place in March 2009, following legal action by disaffected members of the Association. This was after the end date of the project. The elections returned a new management that is committed to working in collaboration with the Supervisory Board of the Wupperthal Church, and EMG is currently providing training for the development of capacities for sustainable production (using other resources).

5. Describe any positive or negative lessons learned from this project that would be useful to share with other organizations interested in implementing a similar project.

Because circumstances in human society are not entirely predictable, projects never entirely follow their intended plans, and processes often take longer than expected. Disadvantaged rural communities are not harmonious, and conflicts over the management and control of resources are not uncommon. Developing sound and mutually beneficial institutional arrangements can be challenging and frustrating for the members of the community, and for the facilitating agencies.

Under these circumstances flexibility is important. The project period may have to be extended so as to allow the implementers to complete the intended activities and achieve the desired results. Furthermore, it is important to inform the project beneficiaries as to why it is not possible to complete the project activities, and to seek alternative ways of doing so.

6. Describe any follow-up activities related to this project.

EMG is keeping in touch with the management at Wupperthal and with the Greater Cederberg Biodiversity Corridor project team. EMG will seek to offer facilitation to Wupperthal to develop a sound regulatory environment, and to link this to their marketing strategies. As noted above, EMG is currently providing training for the development of capacities for sustainable production.

7. Please provide any additional information to assist CEPF in understanding any other aspects of your completed project.

This project has provided on-going support to the Sustainable Rooibos Initiative (SRI) of the South African Rooibos Council, including active participation in meetings and written

submissions with regard to sustainable harvesting of wild rooibos, as well as the conservation of biodiversity in rooibos production areas. The Project manager attended the workshop in Clanwilliam on 27 March 2008 at which the draft Biodiversity Guidelines were presented and provided extensive comment.

#### **IV. ADDITIONAL FUNDING**

*Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.*

None.

#### **V. ADDITIONAL COMMENTS AND RECOMMENDATIONS**

Developing institutional capacities in disadvantaged communities and enabling small scale producers to benefit from the marketing opportunities associated with sustainable production is a long term undertaking that will probably be faced with set-backs from unexpected quarters. Continuity of endeavor is important, and relationships must be developed over longer time periods than usually catered for in funded projects.

#### **VI. INFORMATION SHARING**

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, [www.cepf.net](http://www.cepf.net), and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

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