



Credit: Flower Valley Conservation Trust

SUSTAINABLE HARVESTING OF FYNBOS IN SOUTH AFRICA'S CAPE FLORAL KINGDOM

A HALCYON LAND & SEA CASE STUDY

Since 1999, Fauna & Flora International (FFI) has been working with the Flower Valley Conservation Trust (FVCT) in South Africa's Cape Floral Kingdom to protect unique fynbos ecosystems. In that time, FFI and FVCT have succeeded in establishing a sustainable fynbos harvesting programme, underpinned by scientific research, as well as steady, reliable supply chains for sustainably harvested fynbos products. Over the years our work has gradually increased in scale, from demonstrating proof of concept

and best practice on our own property, to influencing land management across the Agulhas Plain, and working with stakeholders in the fynbos industry across the entire Cape Floral Kingdom. Many of the conservation activities taking place in the Agulhas Plain today build on foundations established by FFI and FVCT. After 18 years, with FFI now playing a more indirect role and FVCT leading on all activities, we identified a need to reflect on the successes, challenges and lessons learnt in the programme to date.

IMPACT OF HALCYON LAND & SEA INVESTMENT

3607 ha of fynbos habitat secured and saved from agricultural conversion

1438 ha of renosterveld habitat secured

Wider conservation impacts achieved across **272,883 ha** of the Cape Floristic Region

35 ha of private land managed for conservation in perpetuity, enabled through conservation easement legislation

Flower Valley Farm is a safe haven for **352 fynbos species**, including **20 threatened fynbos species**

150 fynbos species assessed for vulnerability to harvesting pressure

30,000 ha of alien plant clearance on the Agulhas Plain each year

The Flower Valley Conservation Trust, established by FFI to manage Flower Valley Farm, has become a fully functioning, financially independent organisation, and the **leading local NGO for fynbos conservation in the Cape Floristic Region.**



As of November 2016, FVCT's Sustainable Harvesting Programme operates across **75,000 ha** of the Cape Floristic Region and provides capacity and training support to around **200 harvesters**

At peak times in the flower market, fynbos pickers working for Flower Valley Farm had permanent year-round employment and earned **40% above minimum wages** for the agricultural sector

In the last three years the Agulhas Biodiversity Initiative Alien Clearing Programme has employed **250 people** and involved **100 landowners**

The Flower Valley Early Learning Centre has provided pre-primary education and day care educational support for **14 – 27 children** every year since 2000

Between 2006 and 2010, demand for sustainably sourced fynbos bouquets through an international retailer increased by more than 10% year-on-year. **Steady, reliable demand has allowed local fynbos businesses to grow**

While FVCT was engaged in commercial activities, income from sustainable fynbos harvesting enterprises contributed up to **80%** of the running costs of Flower Valley Farm. Since 2014, nature-based tourism has been contributing to FVCT's income.



Map showing the location of Flower Valley Farm (red) within South Africa's Cape Floristic Region (green). Credit: Flower Valley Conservation Trust

BACKGROUND

The Cape Floristic Region of the southern and southwestern Cape Province is of immense botanical importance. This 90,000 km² region represents one of the six botanical kingdoms of the world and is identified by IUCN as a Centre of Plant Diversity. With nearly 9,000 plant species, botanical species richness in the Cape Floristic Region is considered to be one of the highest in the world. Fynbos vegetation - shrubland with a distinctive mixture of plant types - covers approximately 80% of the area. Sixty nine percent of all fynbos species are endemic to this region. The flora of the Cape is under intense threat from habitat conversion, invasive alien vegetation, and over-harvesting for the cut flower market. Remnant areas of natural vegetation are considered an outstanding international conservation priority, particularly in the lowlands.

Flower Valley lies in the Agulhas Plain, a high priority lowland area of 270,000 ha within the Cape Floristic Region. However, despite this area's rich biodiversity, in 1990 only 4% of the Plain was formally protected. Nearly all the unprotected land was privately owned, and the large majority used for commercial farming activities. The cultivation of cereals and pastures had resulted in nearly a quarter of the Agulhas Plain being lost to agriculture, and the remaining natural habitat was being colonised by invasive trees. The Plain was also an area of extreme poverty and high unemployment, home to a large rural population with access to only rudimentary health and educational services.

Harvesting of wild fynbos flowers for the fresh and dried

flower markets was the largest industry on the Plain in the late 1990s; a total of 71 species have been recorded as harvested from natural populations on the Agulhas Plain¹. Despite recommendations on sustainable wildflower harvesting practices being available, overexploitation of fynbos was common. In 1996 the Agulhas Plain was designated a National Park, but threats to the area remained high. Parts of the Plain previously considered marginal for commercial cultivation were under increasing risk of being destroyed for novel forms of land use, including conversion to vineyards and wildflower cultivation (the latter being a growing trend to cultivate some native fynbos species for the export market, rather than harvest them from the wild – frequently involving the conversion of natural fynbos habitats to cultivated land).

In 1998, FFI was approached by a local landowner and conservationist over the imminent sale of a property known as Flower Valley Farm. The farm's 578 ha comprised an area of near-pristine fynbos, and there was a high likelihood that the land would be converted to vineyards. FFI saw a unique opportunity to secure this threatened site, whilst demonstrating sustainable use and economic returns from conservation-orientated land management. The following year, Flower Valley Farm was purchased by FFI with support from Halcyon Land & Sea (then known as the Arcadia Fund). In the same year, a local NGO, the Flower Valley Conservation Trust (FVCT), was established with support from FFI. FVCT is a registered South African NGO, and was set up to hold and manage the property and business.

Over the last 18 years, FVCT and FFI have worked to:

- Restore and maintain the biodiversity value of Flower Valley Farm and adjacent properties
- Establish a model of sustainable harvesting for the flower business, disseminate good practice in sustainable harvesting and develop better markets for fynbos flowers
- Ensure local people employed in the fynbos industry are not disadvantaged and where possible benefit from both sustainable harvesting practices and managing land for conservation, through fair wages and working conditions
- Develop a wider conservation strategy across the Agulhas Plain with local partners, including developing collaborative approaches to problems such as alien eradication and fire management
- Develop FVCT's institutional capacity and operational and financial independence, to ensure long-term management sustainability for FVCT and for Flower Valley Farm.

SIGNIFICANT ACHIEVEMENTS

A MODEL OF SUSTAINABLE FYNBOS HARVESTING

Developing a model for sustainable fynbos harvesting consisted of two main elements: building an evidence base to inform sustainable harvesting guidelines, and providing support to stakeholders across the supply chain to work to appropriate environmental sustainability, social and labour standards.

A Code of Practice for sustainable fynbos harvesting was developed by FVCT in collaboration with CapeNature (the provincial government conservation agency for the Western Cape), and underpinned by research conducted at Flower Valley Farm and the surrounding region as well as drawing on similar schemes adopted by different sectors in South Africa. Initial efforts by FVCT and CapeNature to engage with landowners on adopting the Code of Practice had limited success, with landowners showing little enthusiasm for the scheme. FVCT instead began to engage with landowners independently through small, sometimes one-to-one meetings and by attending local events. Gradually landowners began to show more interest and provide input to the Code of Practice, using their own knowledge and experiences. As well as grounding the Code in the reality of the harvesting industry, a key result of this process was that landowners developed a sense of ownership of the Code of Practice, which has greatly aided its uptake and acceptance. Instrumental to the success of

this work has been the uniqueness of FVCT as a land-owning NGO (unlike other NGOs in the area) which gives it added legitimacy among other landowners in the fynbos industry.

An additional incentive was provided for landowners to adhere to the Code of Practice in the form of a sustainable harvesting training programme, whereby businesses that signed up to the scheme would receive access to certain retailers and premium prices for their produce. It soon became apparent when developing the programme that a top-down certification process with standard auditing schemes was not appropriate, as neither FVCT nor CapeNature had the resources to run or enforce such a scheme effectively. For the harvesters, the costs of preparing for and being audited are substantial, especially for such a small industry. Instead, FVCT has adopted a more participatory process of certification known as the Sustainable Harvesting Programme. All participants in the Sustainable Harvesting Programme receive support and training from FVCT to transition step-by-step to more sustainable harvesting practices, and appropriate social and labour standards. The process is implemented through support via assessments, improvement plans, training and other support provided by the FVCT team. Programme participants can progress at their own pace and receive support and training from FVCT throughout to help them meet their goals. CapeNature is a key partner in the scheme, providing legislative and regulatory oversight to the programme.





Credit: Flower Valley Conservation Trust

MARKETS FOR SUSTAINABLE FYNBOS ESTABLISHED

Marks & Spencer (M&S), a large UK-based supermarket chain and a sector leader on sustainability, has sourced flowers from FVCT's Sustainable Harvesting Programme since 2006. Establishing the partnership with M&S, a company with international purchasing power, was an important step in securing markets for sustainably harvested fynbos, and marked a step change for the project, as until then engaging interested retailers had proved challenging (see the section on Challenges and Lessons Learnt for more details). By the end of 2010, M&S reported that demand had increased by more than 10% year-on-year. This, together with regular supplying to Pick 'n Pay, one of South Africa's largest retailers, has created a steady, reliable demand for sustainably-sourced fynbos, which has allowed businesses involved in the programme to grow.

SCIENTIFIC RESEARCH UNDERPINS SUSTAINABLE HARVESTING GUIDANCE

Research carried out at Flower Valley Farm and the surrounding region has contributed substantially to our

understanding of the vulnerability of individual fynbos species to harvesting. The research has culminated in the development of a Vulnerability Index, the first of its kind for fynbos, which determines the vulnerability of a species to harvesting on the basis of distribution and biological characteristics². The latest version contains vulnerability indices for 71 harvested species, along with a further 79 rare or endangered species or species that may have harvesting potential that occur on the Agulhas Plain. In addition to assessing vulnerability to harvesting, the Index also provides management recommendations for each species.

FVCT have recently combined the tools they have developed for sustainable fynbos harvesting – the Code of Practice and Vulnerability Index – into a single resource for harvesters. Published in 2016 in partnership with Durham and Newcastle universities, the Field Guide for Wild Flower Harvesting also contains an identification guide to 41 of the most popular fynbos species harvested in the region for the wild flower market. The guide has been translated into Afrikaans and isiXhosa – the languages spoken most frequently by harvesters – and is thought to be the first fynbos identification guide available in isiXhosa.

SUSTAINABLE HARVESTING AND LAND MANAGEMENT BENEFITS LOCAL PEOPLE AND PROTECTS WORKERS' RIGHTS

The Sustainable Harvesting Programme currently benefits around 200 families in the region. Social and labour standards under the Code of Practice have resulted in higher, more reliable wages and better conditions for many workers: at peak times in the flower market, fynbos pickers working for Flower Valley Farm had permanent year-round employment and earned 40% above minimum wages for the agricultural sector. It was a challenge to maintain these achievements in the wake of the global economic downturn, but since 2010, the Sustainable Harvesting Programme has demonstrated that it is possible to run a viable and sustainable fynbos picking business, and to pay workers a fair wage.

Our work with local people has been as much about empowering workers as raising their wages. In 2002 FFI and FVCT supported the establishment of a worker's forum to provide employees with a platform to voice their opinions and to take part in decision-making. The forum deals with lifestyle, social, living and employment issues, and provides opportunities for staff to communicate and work through properly elected representatives. The forum continues to meet regularly and provides an important means of involving employees in the management of Flower Valley Farm.

FVCT also supported the establishment of the Agulhas Biodiversity Initiative Alien Clearing Programme in 2013, which clears alien plants from 30,000 ha of the Agulhas Plain each year. The programme built on the success of an innovative model involving landowners and local people in alien plant clearance, developed by FFI and FVCT after a huge fire in 2006 devastated much of the Agulhas Plain and affected livelihoods across the region. In the past

three years, the government-subsidised programme has employed 250 people and involved 100 landowners. The extent of landowner support for this initiative is also evidenced by co-funding commitments from landowners equivalent to R7 million (£400,000) over the last three years – 26% of the costs of implementing the programme.

At the time of its purchase, five families (35 people) were reliant on Flower Valley Farm for employment and lived on the farm, while the network of external farm suppliers employed a further 200 pickers with 500 dependents. Needs assessments and consultations with the existing workforce identified a critical need for childcare, to allow women to access the labour market to improve household incomes. In response, the Flower Valley Early Learning Centre (ELC) was established almost immediately – in the same year as the farm purchase – offering pre-school childcare for local women. The Flower Valley ELC has subsequently provided pre-primary education and day care educational support for between 14 and 27 children every year since 2000.

NURTURING ENVIRONMENTAL AWARENESS IN THE NEXT GENERATION

Experiences at the Flower Valley ELC subsequently informed the development of the Early Childhood Development Programme (ECD), a wider landscape initiative led by FVCT to improve the quality of pre-school education and to incorporate environmental education into curriculums. There are currently five ECD centres, most in rural communities, providing 130 children with a holistic education with a strong environmental emphasis. FVCT also run a home-based programme for those less able to access the ECD Centres, which currently supports 80 families.

Credit: Flower Valley Conservation Trust





Credit: Juan Pablo Moreiras/FFI

Under the ECD, 17 teachers have received training in environmental education and early childhood development, and have subsequently qualified as EDC practitioners. What began as a response to a local need for reliable childcare has evolved into a landscape-level initiative to improve education and environmental awareness among the next generation of South Africans in the Cape.

FVCT IS A LEADING ORGANISATION FOR FYNBOS CONSERVATION IN THE CAPE FLORISTIC REGION

Over the course of the project, FVCT has developed into an accomplished organisation with an increasing ability to operate strategically and effectively, and to source, apply for and manage funds independently of FFI. FVCT has a strategy, governance structure and operational processes in place, and currently employs 24 staff. The organisation has also built up substantial intellectual capital with regards to sustainable harvesting. As well as delivering the Sustainable Harvesting Programme in partnership with CapeNature, FVCT plays a pivotal role in conservation in the Agulhas Plain, coordinating the Agulhas Biodiversity Initiative (see below) since 2011, and the Alien Clearing Programme since 2013. FFI continues to provide technical and institutional support to FVCT, primarily through representation at Board level.

FVCT has also, in its turn, provided support to another local NGO: the Overberg Renosterveld Conservation Trust (ORCT). The learning of FVCT has been passed on to ORCT, which works in the same landscape on renosterveld: a vegetation community type distinct from fynbos vegetation, which is also highly threatened.

EFFECTIVE CONSERVATION LAND MANAGEMENT AT A LANDSCAPE LEVEL

In 2003, FFI supported the launch of the Agulhas Biodiversity Initiative, a multi-stakeholder partnership

between government agencies, conservation organisations and land holders. The Agulhas Biodiversity Initiative's overarching purpose is to coordinate strategic natural resource management across the Agulhas landscape. FFI and FVCT have both played significant roles in this initiative's development and implementation – FFI supported SANParks in development and coordination of the first phase from 2003 - 2010, with FVCT taking over coordination for the second phase in 2011. Through the Agulhas Biodiversity Initiative, FVCT has also shared its learning and experience in biodiversity-based business with local partners. The first phase of the initiative was highly rated during the final evaluation by the United Nations Development Programme. Under FVCT's guidance, the initiative is continuing to implement activities across its four main themes: integrated land-use planning (including controlling invasive alien plants), viable nature-based, responsible tourism, environmental education and awareness programmes, and transitioning to a green economy.

INNOVATIVE PROPERTY EASEMENT MODEL ENSURES CONSERVATION IN PERPETUITY

The transfer of a piece of land neighbouring Flower Valley Farm to a private landowner in 2007 presented an opportunity to test new South African legislation which enables conservation easements to be placed on a property, thus restricting its use to conservation in perpetuity. The landowner in question was conservation-minded, but it was important to ensure that the property would continue to be set aside for conservation in the future.

This was the first application of a conservation easement for a property in South Africa. The value and utility of the conservation restrictions placed on the property were soon recognised, and put forward as a replicable model for conservation property purchases elsewhere in South Africa.

CHALLENGES AND LESSONS LEARNT

While achieving many successes, the Flower Valley project has also provided a number of learning opportunities for FFI and FVCT. They are documented here to share our experience developing programmes geared towards sustainable use of natural resources, to inform future efforts in the Cape Floristic Region and elsewhere.

MAINTAINING MARKETS FOR SUSTAINABLE FYNBOS

Although FFI and FVCT have succeeded in establishing a market niche for sustainably harvested fynbos, engaging interested retailers was a challenge at the start of the project. Attempts were made at first to incorporate ecological and conservation guidelines for fynbos into existing labelling programmes, but two established international labelling programmes rejected the idea, largely owing to a lack of specialist expertise and an unwillingness to invest in what they perceived as a limited fynbos industry. The partnership with M&S, however, provided an opportunity to create a Code of Practice specific to the fynbos industry.

The initial difficulties encountered here were primarily due to insufficient knowledge about the fynbos market. More detailed and specialised research before engaging with the industry might have indicated some of the difficulties FFI and FVCT were to come across, most of which were related to the small size of the market. To

address this, FVCT have created an Ethical Trade Coordinator position, which focuses on working with markets and other key stakeholders to encourage ethical trade.

During the course of the project, FFI and FVCT have also shifted focus from just working with suppliers (harvesters and packing houses) to engaging with the whole supply chain (exporters, landowners, etc.), recognising that a key part of maintaining markets for sustainably harvested fynbos is to embed sustainability throughout the entire supply chain. Membership of the Sustainable Harvesting Programme is gradually shifting to reflect this – of its 28 current members, two are exporting businesses and five are landowners.

FFI and FVCT have come a long way in understanding what is needed to maintain a market for sustainably harvested fynbos. Nevertheless, maintaining this niche is a constant challenge in the context of an industry which is forever changing and adapting to market forces. Incentives at present rely on giving stakeholders higher prices for their products if they comply with sustainable harvesting standards, but this is a risky approach – if the price falls, then the incentive to comply falls too. Sustaining markets into the future will require developing additional incentives all the way along the supply chain.

Credit: Flower Valley Conservation Trust





Credit: Flower Valley Conservation Trust

MANAGING BUSINESS AND NON-PROFIT ACTIVITIES

Despite establishing a market niche, the FVCT fynbos flower business was not as profitable as first expected, and there was insufficient income to cover the core running costs. Due to the financial situation in South Africa and difficulties running a business within an NGO, it was decided to separate the non-profit and business elements of FVCT. A limited liability company (Fynsa Ltd) was created to promote the sourcing of sustainably harvested products and to secure markets for the suppliers on FVCT's Sustainable Harvesting Programme. The company also entered into an agreement that it would source products only from suppliers on the Sustainable Harvesting Programme. The decision to separate the business and non-profit activities of FVCT allowed each organisation to focus on its own areas of expertise, with Fynsa gaining substantial capacity-building support and mentorship through FVCT funding streams.

Developing strong and sustainable markets for fynbos requires a strong commercial partner, but a lack of strategic management, innovation and drive on the part of Fynsa limited the rate at which FVCT was able to expand its work to other suppliers and regions. The binding nature of the partnership with Fynsa (through sale and lease

agreements) also restricted FVCT in finding more suitable business partners and identifying new opportunities in the region. In retrospect, such a legally binding partnership has proved to be high-risk and restrictive. This was compounded with complications linked to the initial leadership of Fynsa, which highlighted the conflicts that can emerge when balancing profit margins and the reputational needs of a biodiversity-based business (including the nuances surrounding ethical standards). This issue severely strained Fynsa's early relations with FVCT, but the partnership was partially recovered with the appointment of a new Managing Director with a strong developmental and entrepreneurial approach, and a detailed understanding of environmental issues.

More recently, the decision was made to cease all direct commercial fynbos harvesting activity by FVCT, with FVCT instead concentrating solely on their core strategy of providing support to industry. This has proved to be a good decision given FVCT's now prominent role as a mentor to the industry and its influence in the sector. However, the organisation's early involvement in the fynbos business through Flower Valley Farm was invaluable, both in terms of the direct insights gained into the sector, and the legitimacy this afforded FVCT when engaging with stakeholders.



Credit: Flower Valley Conservation Trust

CONCLUSIONS AND FUTURE WORK

Since its inception over 18 years ago, the Flower Valley programme and the FFI-FVCT partnership have achieved some remarkable successes, at both local and landscape level. Many conservation activities taking place in the Agulhas Plain today derive from FFI and FVCT's work, and continue to maintain fynbos habitats whilst delivering tangible benefits to local people who rely on this unique landscape. However, there are still a number of challenges and issues that continue to be a focus for the programme as it moves forward:

- Engaging with the entire fynbos supply chain and ensuring all sector players and stakeholders take responsibility for maintaining the sustainable market;
- Developing alternative and parallel incentives for sustainable harvesting, to ensure markets for sustainable fynbos are not just driven by economic value;
- Identifying opportunities to expand FVCT's influence beyond the fynbos niche market, engaging with key players which dictate the terms of the wider cut-flower sector.

FAUNA & FLORA INTERNATIONAL

FFI protects threatened species and ecosystems worldwide, choosing solutions that are sustainable, based on sound science and take account of human needs. Operating in more than 50 countries worldwide, FFI saves species from extinction and habitats from destruction, while improving the livelihoods of local people. Founded in 1903, FFI is the world's longest established international conservation body and a registered charity. www.fauna-flora.org

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FLOWER VALLEY CONSERVATION TRUST

FVCT is a recognised public benefit organisation that enables and facilitates good *fynbos* landscape management for conservation and the socio-economic benefit of communities living in the Cape Floristic Region. www.flowervalley.org.za

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HALCYON LAND & SEA

Halcyon Land & Sea is a fund established in 1998 by Dr Lisbet Rausing to find innovative and entrepreneurial ways to secure threatened habitats. Through Halcyon Land & Sea, FFI secures areas of critical biodiversity through a number of diverse approaches, developed to fit the needs of individual sites and projects. These include site purchase or lease, developing local land stewardship or site management agreements, and putting in place conservation management where this has been absent or weak. We always work in partnership with local conservation agencies and local communities. Halcyon Land & Sea is supported by Arcadia (a charitable fund of Lisbet Rausing and Peter Baldwin) and Hugh Sloane.

FOOTNOTES

¹ Heydenrych, B.J. 1999. An investigation of land-use practices on the Agulhas Plain (South Africa), with emphasis on socio-economic and conservation issues. Unpublished MSc Thesis, University of Cape Town.

² Privett, S.D.J., Bailey, R., Raimondo, D., Kirkwood, D., and Euston-Brown, D. 2005. A vulnerability index for rare and harvested plant species on the Agulhas Plain. Flower Valley Conservation Trust, Unpublished report.

HOW TO CITE THIS CASE STUDY

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