



# m&e case study

## Heiveld Co-operative: a community-driven sustainable rooibos industry

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**The Heiveld Co-operative has transformed a group of previously marginalized small scale farmers into internationally accredited producers of an exceptionally high quality Organic and Fair Trade product:**

- **The sustainability of the whole industry has been improved by the development of scientifically sound production and harvesting methods.**
- **The local community has benefited as profits from the premium price product have been ploughed back into community projects.**



The goal of the C.A.P.E.<sup>1</sup> Partnership is that the sustainable use of the biodiversity of the Cape Floral Region should deliver significant benefits to local communities. One of the most exciting community-led projects in the region is the Heiveld Co-operative which harvests rooibos sustainably in the Suid Bokkeveld, around Nieuwoudtville. A premium price is received for the co-operative's superior organic product. This community-owned co-operative not only benefits the 54 members of the co-operative, but also puts a percentage of profits back into the broader community.

Conservation projects often face the risk of becoming donor-driven, but the Heiveld Cooperative is one which can truly claim to be driven by the community. Each member of the co-operative makes an important contribution. The establishment of the organization took considerable time, but the process resulted in the immeasurably important benefits of ownership and capacity building.

### A CRISIS DRIVES A SEARCH FOR ALTERNATIVES

In the apartheid era the rooibos industry was highly regulated. Only farmers who were allocated production quotas by the Rooibos Tea Board could have their product processed. The price of the product was low, and often the cost of harvesting was higher than the return for the end product. This problem was particularly acute for smaller producers who were too small to hold their own quotas and had to sell their produce through middlemen. The economic viability of the Suid Bokkeveld communities dependent on this industry was therefore under extreme pressure. Following deregulation in 1992 the structure of the industry remained little changed from the point of view of the small-scale producers.

The Department of Agriculture was concerned, and facilitated the engagement of two NGOs<sup>2</sup> (INDIGO<sup>3</sup> and EMG<sup>4</sup>) both of which had expertise in rural development. In the course of a workshop the community identified a number of alternatives which they wanted to explore. These included the harvesting and marketing of their exceptionally high quality rooibos tea, and the development of community-based tourism. A CEPF<sup>5</sup> small grant, channelled through C.A.P.E., provided funds to enable them to start work on a community-based tourism project, the Rooibos Heritage Route.

### SUPPLYING ORGANIC AND FAIR TRADE BUYERS

Although the community had expertise in growing and harvesting organic rooibos they did not know how to market it for a premium price. A community fact-finding trip was facilitated by the NGOs. This enabled community representatives to visit other operations selling organic rooibos. Those selected took questions from the rest of the community and provided feedback afterwards, so that all understood the key issues. This fact-finding exercise was funded by the World Bank as part of their initiative on the "development of tools to facilitate Community Knowledge Exchange"<sup>6</sup>

After this trip, 12 community members decided to form an organic rooibos co-operative. Great care was taken by the NGOs when facilitating this process to ensure that the constitution of the co-operative was agreed upon, and fully understood by, the community who would support and ultimately benefit from it. The Heiveld Co-operative was founded in 2001 and was based on selling organic rooibos to a middleman who had been accredited internationally to sell under both Fair Trade and Organic labels. The producers of the Heiveld Co-operative were small scale farmers, or sharecroppers, who were able to deliver high quality organic product. They received a premium price because expensive pesticides and herbicides were not used.

### HEIVELD BECOMES A CERTIFIED PRODUCER

The Co-op soon realized, however, that they were receiving a relatively small amount of the export profits. In 2003 the co-operative members decided that they wanted to become certified themselves, so that they could sell their product independently. Once again, this was a community decision and they approached INDIGO to assist. The co-operative was able to pay for the organic certification process from its own profits and was ready for independent exports.

Certification depended on the establishment of trust between suppliers and those responsible for

### contact details:

Heiveld Co-operative Ltd.  
PO Box 154  
Nieuwoudtville 8180  
South Africa  
Tel: ++27 - (0)27 - 218 1318  
Fax: ++27 - (0)27 - 218 1318  
email: [marketing@heiveld.co.za](mailto:marketing@heiveld.co.za)  
  
[www.heiveld.co.za](http://www.heiveld.co.za)

Bettina Koelle  
  
INDIGO  
Development and Change

Tel: +27 27 218 1148  
[bettina@indigo-dc.org](mailto:bettina@indigo-dc.org)  
[www.indigo-dc.org](http://www.indigo-dc.org)  
or [www.emg.org.za](http://www.emg.org.za)

***“Facilitating a community driven initiative took longer, but resulted in complete ownership of a co-operative which delivers real benefit to the community”***

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### Key Words:

*Sustainable harvesting, rooibos industry, Greater Cederberg Biodiversity Corridor, business and biodiversity*

international certification. The Heiveld Co-operative had to establish an international reputation for reliable delivery of a high quality organic product. This they were able to do. They also helped to set the standard for a Fair Trade certification process for rooibos, which includes environmental issues.

Once certified, they were able to demand a premium price for their high quality product, which now fulfilled both Organic and Fair Trade requirements. This gave them more than double the returns they had been able to secure previously. A boom in demand, beginning in 2004, further increased profits.

### UNDERTAKING RESEARCH ON SUSTAINABLE FARMING

A small percentage of the produce of this co-operative was wild rooibos. This naturally occurring rooibos or *Aspalathus linearis* is indigenous to this area, and occurs in the undisturbed natural vegetation of high lying areas. This wild product was traditionally harvested by the poor who did not have land of their own. This exceptionally high quality, biodiversity-friendly product is now marketed separately for an even higher premium. This provides an incentive for landowners to leave natural veld intact, rather than converting it to plantations of cultivated rooibos.

The Heiveld Co-operative works with researchers from EMG and UCT<sup>7</sup> to establish sustainable harvesting regimes for wild rooibos. The farmers are closely involved with researchers in taking measurements, and so have a very high level of ownership of the sustainable harvesting standards established by the research. These standards have been fed back into the rooibos industry to encourage sustainable wild rooibos harvesting in the broader industry. There is a very strong sense of heritage in the co-operative, and their focus on sustainability is driven by a desire to leave a sound inheritance for future generations.

In collaboration with researchers the co-operative members continue to develop a better understanding of the ecology of rooibos: They have mapped where different ecotypes of rooibos occur and are exploring the role of key pollinators and natural pest control. An important new challenge is responding to climate change. In a recent drought 80% of the cultivated rooibos died while the wild rooibos survived. This emphasized the importance of maintaining the wild stock diversity.

Other sustainable production methods for cultivated rooibos are also encouraged: These include the planting of rooibos in strips with natural veld left intact in between. The maintenance of natural predators in these strips of indigenous vegetation is important for organic pest control. Furthermore, it avoids the planting of large areas under monoculture which is always more susceptible to disease. The strips of natural vegetation also reduce wind erosion. There are two mentor farmers who demonstrate biodiversity friendly production techniques and certification compliance.

### LINKS TO THE BROADER COMMUNITY

The additional profits of the co-operative, gained from the Fair Trade premium, are ploughed back into the community into collectively agreed-upon projects, such as bursaries for local students or support for the development of tourism initiatives.

The Heiveld co-operative falls within the Greater Cederberg Biodiversity Corridor which has helped raise awareness of the international importance of the areas' biodiversity.

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<sup>1</sup> Cape Action for People and the Environment

<sup>2</sup> Non Government Organization

<sup>3</sup> Indigo development & change

<sup>4</sup> Environmental Monitoring Group

<sup>5</sup> Critical Ecosystem Partnership Fund provided by Conservation International

<sup>6</sup> <http://www.emg.org.za/documents/lkXchangeToolkits/index.html>

<sup>7</sup> University of Cape Town