



Stewardship case study

Biodiversity and Wine Initiative (BWI): Stewardship within an industry context

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The most important impact of the Biodiversity and Wine Initiative has been to promote self regulation of legal compliance within the industry through the incorporation and enforcement of biodiversity guidelines as part of the industry standard for sustainable management - The Scheme for Integrated Production of Wine. Indeed, biodiversity forms a key component of the international marketing of the South African brand.

The key challenge in this highly competitive industry is to promote collaborative environmental management at a regional level. Conservancies are a powerful tool in this regard, and provide an important forum for learning and local networking. The challenge is to secure direct support for sustainable land management so that it will act as an incentive for formal commitment to stewardship.

Conservation of biodiversity outside reserves is dependent on collaboration with private landowners, the majority of whom are farmers. The Biodiversity and Wine Initiative was established in 2004 through a partnership of the Botanical Society of South Africa, WWF-SA and the wine industry, its objective being to promote conservation by providing advisory extension support for the wine industry. This industry was selected because its expanding footprint coincided with the endangered vegetation of the Cape Lowlands.

Working with industry structures and producers, the BWI has worked to set aside land for conservation and to promote biodiversity-friendly farming practices. In 2004, one of the first interventions of BWI was to facilitate the incorporation of Biodiversity Guidelines in the official accreditation procedures for IPW¹ certification. By 2008, the 103 000 ha set aside for conservation on BWI member farms exceeded the 102 000 ha footprint of the vineyards of the Western Cape. This case study examines the stewardship lessons learnt through BWI engagement with the wine industry.

BUILDING CREDIBLE AND SUSTAINABLE STRUCTURES

The BWI full time staff comprised one coordinator and one extension officer for the first seven years. This small team succeeded in signing up a remarkable 156 farmers. This first extension officer was very experienced, with previous exposure to the wine industry. This resulted in a high level of credibility with farmers. At the end of 2009, BWI appointed two new staff members (to be trained into extension posts). These new staff members were educated in agriculture and had work experience in the wine industry. The aim was to ensure long term sustainability by employing individuals interested in developing a long term career path within the wine industry.

The initiative was initially co-funded by WWF-SA², CEPF³, Winetech, Wines of South Africa (WOSA) and the RMB⁴ Fund. This diversity of funding sources gave it an independence which was essential for its early credibility. Further short term funding has been secured until 2012 from WOSA and the RMB Fund.

BWI is housed within WWF-SA, a well respected NGO⁵. Housing the BWI within an NGO, rather than with a state or parastatal body, reassured producers who felt insecure in the face of changing government policies. In many instances, producers are more willing to sign agreements pertaining to land restriction or best practice with a reputable NGO, than to make a long term commitment to the state. However, the objective of the BWI is to move landowners with priority conservation sites towards long-term stewardship agreements with CapeNature, by developing the landowners' interest, trust and understanding of the benefits of formal stewardship. BWI assists the producers to engage and explore the opportunities and requirements of a stewardship agreement, through the development of a basic management plan and provision of supportive advisory services.

Once committed to a stewardship agreement with CapeNature, a detailed site-specific management plan is drawn up, implemented and audited. This results in more active monitoring of conservation management than can be undertaken under a BWI contract alone. It also often results in the farmer being able to access greater funding support for activities such as the clearing of invasive alien plants.

IPW - setting the international benchmark

Wine export is soon to be underpinned by the industry standard IPW. This standard, which promotes sustainable production of wine, was initiated in South Africa in 1998, and has received international recognition and endorsement as the benchmark of environmental standards within the global wine industry, with similar schemes now rolling out internationally. In 2010, producers wanting to export must be accredited by IPW. The IPW standard addresses a broad range of environmental issues including management of chemicals and wastewater.

The BWI facilitated the incorporation of biodiversity guidelines into the IPW standard in 2004. These biodiversity guidelines include key issues such as management of invasive

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alien plants, maintenance of buffers around wetlands and riparian areas, appropriate fire management and protection of priority vegetation types.

Incorporating biodiversity guidelines into the industry production standard has provided a very powerful platform for BWI engagement with individual producers and with retailers. Indeed, several other leading wine producing regions including Australia, California and Chile, with similar conservation issues, are looking to develop conservation strategies.

Efficient and Effective Auditing

Initially, IPW was implemented primarily through producer self-assessment against industry guidelines. Credibility is ensured through random external audits of ten percent of producers each year. This is supported by invited independent audits. For example BWI 'Champions' must be externally audited prior to receiving their champion status and thereafter every three years. BWI Champions must conserve at least 10% of their farm; must achieve at least 85% for the Biodiversity Guideline component of the IPW audit; and 75% for the overall IPW assessment. (The requirements for ordinary members are less onerous: a minimum of two hectares of natural or restored veld must be conserved; they must achieve 65% for the biodiversity guideline component of the audit and must pass their overall IPW audit, i.e. achieve a 65% total score).

BWI has recently issued its first suspensions. This is a very significant deterrent as it impacts on the suspended members' ability to supply retailers who require compliance. Previously IPW had indicated that it would wait for the relevant government department to find transgressors guilty. However, these departmental processes are very time-consuming and have not yet resulted in any convictions. It was therefore agreed that, if the problem represented a direct transgression of one of the IPW requirements, the BWI would issue its own suspensions, which would remain in force until the issue was resolved to the relevant government department's satisfaction.

BWI audits all its members on a two year rotation, and from 2010 onwards Champions will be audited annually. In addition to this auditing schedule, a failed IPW audit triggers an immediate BWI audit. Currently individual farmers have to undertake several different audits as IPW, BWI, CapeNature, local retail and international audits are all undertaken independently. This places a tremendous management and financial burden on the farmer who may be participating in as many as 10 independent audits per annum. It would be hugely beneficial if these processes could be streamlined. It is also important to separate extension and enforcement. Auditing can form part of a process of continual management improvement, but extension processes do not combine well with prosecution, and in some agencies these roles are currently combined.

Developing incentives for sustainable management

Over the past five years BWI has worked with the industry and conservation agencies in developing incentives for good practice. An important incentive has been the development of accredited labelling, supported by a marketing campaign driven by WOSA⁶. This BWI labelling highlights and recognises the contribution members make to conservation and distinguishes Champions from ordinary members. The marketing campaign, "Variety is in our Nature", positions South African wines labelled with the BWI accreditation within the green market. This is particularly important for international export. Recent international emphasis on green products has helped the WOSA marketing campaign gain credibility with producers. Indeed, Nora Sperling-Thiel of Delheim comments that being differentiated as a Champion is a significant marketing advantage.

Financial incentives for conservation through formal stewardship contracts in the form of municipal rates rebates and tax deductions have recently been established. The 2008/9 tax year will be the first year that tax rebates are available for those who commit to conservation of important biodiversity. Initial indications are that, for the majority of farmers, this will be less significant financially than direct assistance with management.

In the experience of BWI, one of the most important incentives for farmers is assistance with sustainable land management. Their approach is to work with each farmer to develop a brief management plan (in the form of an Excel spreadsheet listing objective, action, budget, responsible person and timeframe) summarising key issues to be addressed on his or her farm. This highly efficient and personalized approach has been very well received by farmers. It minimizes the costs involved in drawing up management plans, enabling money to be spent on implementation instead. Using this streamlined approach the single BWI extension officer has been able to service all 156 members.

More in-depth assistance can be accessed through involvement in CapeNature's stewardship programme. As part of each stewardship biodiversity contract CapeNature



draws up a detailed management plan for the area. This management plan would cost R50 000 to R120 000 if it were to be externally sourced, and therefore represents a significant contribution to the farmer's management resources. The management plan includes integrated management of invasive alien plants, fire and wetland systems. The intensive interaction required to maintain and implement these detailed management plans means that each CapeNature Stewardship officer can only service 12-16 farmers.

In addition, CapeNature tries to secure funding for implementation of these management plans. This intensive investment can only be awarded to sites which are top priorities for conservation. At this stage funding for management operations on stewardship sites is provided by Treasury. Budget allocations for future years are therefore difficult to predict. For 2010 private funding has been secured for stewardship support teams who will undertake tasks such as alien clearing and fire break maintenance. It is hoped that this support can be increased, with both private and government funds to provide permanent stewardship teams, and assistance with fencing of important areas. Guaranteed access to direct assistance for stewardship sites would be a powerful incentive for conservation.

A systems approach

In order to motivate the majority of farmers to participate in stewardship, a business case must first be made for the benefits of sustainable land management: For example, management of invasive alien plants reduces fire risk and increases water availability and wetland function. Natural pest control provided by adjacent natural areas is also cost effective. A positive cost benefit equation is important for all farmers, particularly in the current economic climate. It is of particular importance to managers of large commercial operations who must justify expenditure to a board. This is also true of young farmers trying to persuade their parents to try new approaches: These young farmers who trained within the IPW context are often far quicker to adopt the biodiversity guidelines.

The focus of BWI when engaging with producers is on the promotion of the conservation of ecosystem services. The functional attributes of biodiverse systems are directly meaningful to a farmer from a financial perspective. The other components of biodiversity, such as rare and endemic species, can be simultaneously conserved within the umbrella provided by this approach. The BWI also tries to promote income generation from natural veld from tourism or wildflower harvesting.

The Landcare extension officers of the Department of Agriculture are important partners in this holistic approach. Although Landcare is very active in some regions where it is collaborating in positive engagement with landowners, its capacity is limited and their impact could be improved if partnerships, such as those developed in the Upper Breede River Valley, could be established in other regions.

Landcare promotes area-wide planning, involving the collaborative development of regional plans which include both farming and conservation priorities. This is a powerful tool which facilitates proactive decision-making and highlights areas of potential conflict. Where this is not in place, ad hoc applications for vineyard expansion are difficult to track, and cumulatively can result in a loss of crucial habitat and functional landscape connectivity.

Promoting Collaborative Action

The planning and implementation of an initiative such as BWI needs to take place within a medium- to long-term collaborative planning strategy. The current economic climate has made it difficult to motivate for short-term expenditure for long-term benefit, as producers are battling with immediate survival. Indeed, some farmers are finding that they are already too small to be economically viable, creating pressure for expansion of their vineyards.

One of the key challenges when working with very large producer networks is to ensure that traceability and accountability are maintained right down to farm level, where the implementation of the biodiversity guidelines can be monitored.

Among independent wine producers, the effect of working with industry leaders is difficult to predict, particularly as this is a competitive industry: each farm tends to make decisions independently and collaborative action is often difficult to motivate. BWI found that one of the most effective ways of working collaboratively is through regional wine tourism routes, as this is the primary way farmers in a region currently work together.

It is easier to promote collaborative action in regions where the traditional farming community is still intact. In these regions securing support from leaders of the cooperatives, or cellar masters, who buy in grapes from a large number of farms, can have a significant knock-on effect to the whole region. For example, in the inland regions

around Calitzdorp and Tradouw, the cooperatives and other traditional community structures are still very active. Here, leading farmers have played a key role in motivating a whole region to become more involved in conservation. In contrast, in the Stellenbosch wine region, there are many new landowners and producers. Indeed, many of the new owners are from overseas. Each of these producers tends to make their decisions independently.

CONSERVANCIES – BRINGING PRIVATE LANDOWNERS TOGETHER

Conservancies are a powerful means of enabling the farmers of a region to collaborate in order to manage their land sustainably. Conservancies can also play a valuable role by identifying potential sources of funding for sustainable land management, and by interpreting the local relevance of the, often confusing, funding environment. In addition, if they draw up the legal framework required to establish a Public Benefit Organization (PBO) they are able to facilitate access to a broader range of funders than could be accessed individually.

It is important to remember that these conservancies are driven by the commitment of voluntary members who often do conservancy work late at night, once work on their own farming enterprises is complete. Currently, conservancies are not able to access much direct support from CapeNature. It is challenging for CapeNature to strike the optimal balance between support for voluntary members of conservancies versus that given to farmers committed to a formal stewardship contract. To give some support to members of conservancies is important, as these voluntary conservation sites hold the highest potential as future stewardship sites in terms of proven landowner willingness to undertake conservation. However, those who have made the full commitment to stewardship should obviously receive higher levels of benefits.

There is considerable potential for linking the work needed in conservancies to job creation initiatives. This could help address the social challenge provided by the highly seasonal nature of work available in the wine industry. The key challenge for implementing this approach would be to provide appropriate training and quality management. If BWI were to become involved in such initiatives, their approach would be to ensure that the landowner carried responsibility for managing work on their land.

The Klapmutskop Conservancy

This conservancy, which was the Cape Fox 2007 winner for the best managed conservancy, provides an inspirational example of the role that conservancies can play in promoting regional coordination around sustainable land management.

The establishment of this conservancy in 2004 was facilitated by interaction with Francois Steyn of Landcare, who helped farmers access initial funds for alien clearing. They had experienced a severe fire in 2000 and wanted to rehabilitate areas which had been burnt and then commit them to conservation. The Delheim farm progressed from basic rehabilitation through the clearing of invasive alien plants in 2000 to a more formal stewardship agreement with CapeNature in 2003, to the establishment of a broader regional conservancy (2004) and becoming one of the first members of BWI (2005).

Delheim progressed even further to become a BWI champion in 2008 through the development of an extensive water recycling programme and the use of natural pest control. This incremental commitment was driven by an internal staff member who was enthusiastic about conservation. This increasing level of commitment provides a powerful example of the catalytic potential of providing support for clearing of invasive alien plants.

The Klapmutskop conservancy is led by chairperson, Nora Sperling-Thiel of Delheim. The original five member conservancy established in 2004 has been expanded to include 17 members, and is now over three times its original size. It focuses around Klapmutskop which contains rare renosterveld and a unique 300 year old yellowwood forest.

They have recently created subcommittees for fire, alien clearing and fundraising which have helped ease the burden on individuals, such as Nora, who do conservancy work on top of their demanding day jobs. The Klapmutskop Conservancy has been an ongoing beneficiary of Public Works funding channelled through LandCare. This is used to clear invasive alien plants. Herbicides and training are provided to all members to facilitate ongoing alien clearing and maintenance operations.

A Biodiversity Information Centre has been established at Delvera, which acts as the hub for the Klapmutskop Conservancy, and as the access point for hiking and biking trails. This centre helps to create awareness among these more active visitors, as well as among those visiting the wine-tasting centre and restaurants. In the past, the



conservancy was involved in environmental education but recent CapeNature capacity constraints have limited this service. They are therefore now planning to run Junior Landcare programmes in collaboration with Landcare. They have also established an indigenous nursery, and collaborate with the Kew Millennium Seedbank Project.

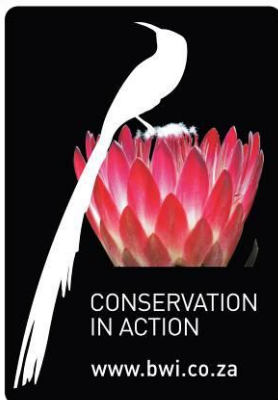
The Klapmutskop conservancy has established a business plan to ensure long term sustainability. The conservancy has a R5 000 membership fee, and also collects funds through selling permits for their hiking and biking trails. The conservancy found that that their successful registration as a PBO and NPO⁷ in January this year was a turning point. They are now able to receive external public benefit funds. This has enabled them to employ a coordinator to undertake the work which members were trying to do in their spare time. This coordinator now also acts as the treasurer for the local Stellenbosch Fire Protection Association.

Date: December 2009

Key Words:

Wine industry, IPW, auditing, industry standards

The Klapmutskop conservancy has found that that one of their key challenges, as individuals outside the formal conservation sector, is a lack of knowledge of existing opportunities for conservation management support. The BWI Days are therefore most valuable as a forum for networking and as a source of information on potential funding sources. Nora Sperling-Thiel is also the chairperson for the Western Cape Stewardship Association (WCSA). WCSA have applied for funding to the TMF⁸ to enable them to develop into an active learning network: they plan to provide information on the support available for conservation, and share insights regarding the approaches others are taking to support conservation on private land.



¹ Integrated Production of Wine

² World Wide Fund for Nature

³ Critical Ecosystem Partnership Fund

⁴ Rand Merchant Bank

⁵ Non Governmental Organization

⁶ Wines of South Africa

⁷ Non Profit Organization

⁸ Table Mountain Fund