

Rooibos Fact Sheet



QUICK FACTS

SA'S NATURAL ASSET

The Western and Northern Cape's Cedarberg region is the only place in the world where Rooibos (*Aspalathus linearis*) grows naturally.

GROWING THREAT

Rooibos is produced in two Global Biodiversity Hotspots, the Succulent Karoo and the Cape Floristic Kingdom. The production of Rooibos has been identified as one of the biggest threats to the health of these natural environments.

MARKET GROWTH

The health benefits of speciality teas, such as Rooibos, is driving growth in this sector. It is the only tea category showing growth worldwide; in six years the \$31 million industry has more than doubled its sales. In SA the R500 million Rooibos market provides income and employment to more than 5 000 people.

BRAND ROOIBOS

Rooibos is a unique plant grown in a rare habitat and farmed by a people whose history is synonymous with the area. Its evocative story can be clearly and easily communicated to consumers the world over.

Products of the biodiversity rich Cape Floral Kingdom

Promoting Sustainable Rooibos

South Africa's unique Rooibos tea enjoys steady market growth and producers are now working to ensure that not only is it good to drink but also good for the planet and those who grow and harvest it.

A. Rooibos, what is it, where is it grown and what is the challenge?

Rooibos tea (*Aspalathus linearis*) grows in only one place in the world - in the world's richest floristic kingdom on the southern tip of the African continent. As the sole producer of Rooibos worldwide, South Africa has a natural competitive advantage. With the right regulatory, logistical and marketing support, Rooibos could become one of the leading foreign-exchange earners through exports of processed and value-added products. Furthermore, current efforts to register the name "Rooibos" as a Geographical Indication (GI) with the World Trade Union could help entrench South Africa's economic advantage.

Market growth has been dramatic, which would be good news, particularly for the hardworking farmers, if it were not for the worrying rate of threatened habitat transformation associated with Rooibos production.

In response the South African Rooibos Council (SARC) has launched a world-first biodiversity project, which involves a pilot group of Rooibos producers implementing agricultural best practice. **Right Rooibos** works with land owners to develop ensure sustainable production practices.

To help secure market access for sustainably produced Rooibos **Right Rooibos** with the support of GreenChoice, a WWF and Conservation International initiative, is exploring aligning with an international certification system.

B. Size of the market

According to figures by Rooibos Ltd. in May '09: 2008 Rooibos harvest has amounted to approximately 18 000

tons and according to projections the '09 harvest is expected to reach up to 20 000t, making it the largest harvest in history. Local sales are in the region of 5 500 to 6 000.

C. Key markets

Although export sales exceed domestic sales annually, SA has traditionally been – and still is - the largest single market in the world for Rooibos. Rooibos is exported to more than 30 countries across the globe. The top 5 international markets are Germany, the Netherlands, UK, Japan and the US, representing more than 80% of total exports.

D. 'Tipping' the market

Thirty six audited farmers currently produce about 7 200 tons annually. The goal is to embed sustainability principles into more than 90% of the production through third party certification and an industry-wide trademark and Geographic Indicator (GI) programme. This will undoubtedly tip the market in the right direction and the current strategy is to get buyers and processors to lead the way by phasing in preferential procurement, and to encourage packer and branders to do the same. Apart from sustainability requirements that form part of the criteria for trademark and GI, individual estates and companies will be able to differentiate their product through achieving ascending levels of compliance.

E. What does Right Rooibos mean by "sustainable" Rooibos?

Sustainability as detailed in the vision statement depends on:

- ◆ The legislative framework for natural resource utilisation in SA;



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- ◆ Does not result in unjustifiable loss of biodiversity of natural veld conversion and degradation, and related increase in GHG emissions (adaptive strategies to mitigate impacts of climate change), also ensures habitat protection for endangered and endemic species (ecosystem processes and services);

- ◆ Reduces/limits negative effects of plantations such as soil erosion, degradation by effluents from processing and pesticide runoff, pollution of sensitive aquatic ecosystems;

- ◆ Contributes to poverty alleviation and rural development of local communities. A landscape that delivers viable economic returns in inter-generational terms, not only in terms of cash but quality of life too; and

- ◆ Maximises efficiency of natural resource utilisation – maximum allowable area for the production food and a minimum area to retain viable ecosystems, habitats, species etc.

F. What are the RBI's main strategies to achieve this?

- ◆ Provide a framework for the Rooibos industry to engage with government and markets;
- ◆ Develop a set of sustainability guidelines for the Rooibos industry;
- ◆ Implement the sustainability guidelines through a system of champions;
- ◆ Undertake research to determine the requirements for sustainable Rooibos production;
- ◆ Provide technical assistance and extension services to Rooibos producers to implement best practices;
- ◆ Develop environmental Management Plans for each production unit; a joint planning process for expansion to minimise loss of threatened habitat;
- ◆ Determine how this expansion strategy fits in with industry land reform criteria;

- ◆ Develop economic opportunities and social benefits for those in the Rooibos industry;

- ◆ Develop a monitoring and evaluation system to ensure integrity and credibility of the Initiative;

- ◆ Embedding sustainability certification as part of the criteria for trademark and GI Rooibos through developing credible third party auditing and certification system;

- ◆ Lobbying all buyers in the supply chain to buy “sustainable”;and

- ◆ Maintain links with Greenchoice and other BBI's to ensure alignment with accepted standards, promote the initiative and adding weight to “sustainability” efforts.

G. Milestones and key future actions

- ◆ Thirty-six producers representing about 40% of Rooibos production and 96 000ha are implementing better farm practices.

- ◆ Best practice guideline produced, 150 copies distributed.

- ◆ Best practices officially destined to form part of trademark and GI requirements.

- ◆ Currently conducting baseline studies to monitor environmental, social and economic gains

- ◆ Dutch government funded project to develop internationally accepted standards for Rooibos

- ◆ Providing an efficient extension service for Rooibos producers

- ◆ Intensify marketing and communication, achieving a visible media profile

- ◆ Five year goal: Trademark and GI established, independent certifying bodies doing auditing and certification, overwhelming majority of Rooibos producers and buyers compliant.

FOR MORE INFORMATION

The journey to sustainable Rooibos production is a collaborative process involving a number of supporting organisations.

- ◆ SA Rooibos Council: www.sarooibos.co.za
- ◆ CapeNature: www.capenature.org.za
- ◆ WWF-SA: www.wwf.org.za
- ◆ Conservation International: www.conservation.org
- ◆ Embassy of the Kingdom of Netherlands: www.dutchembassy.co.za
- ◆ Environmental Monitoring Group: www.emg.org.za
- ◆ Critical Ecosystems Partnership Fund: www.cepf.net
- ◆ C.A.P.E: www.capeaction.org.za

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