

## Appendix 5.14

### Policy Brief

Title: Marula commercialisation for sustainable and equitable livelihoods: A Policy Brief

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Produced by: Centre for Ecology & Hydrology, Wallingford, U.K.

Date: 2002

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This publication is an output from a research project funded by the United Kingdom Department for International Development (DFID) for the benefit of developing countries. The views expressed are not necessarily those of DFID. Project R7795, Forestry Research Programme.

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## Marula Policy Brief

### Marula commercialisation for sustainable and equitable livelihoods

By R.P. Wynberg, S.A. Laird, S. Shackleton, M. Mander, C. Shackleton, P. du Plessis, S. den Adel, R.R.B. Leakey, A. Botelle, C. Lombard, C. Sullivan, T. Cunningham and D. O'Regan

#### Introduction

Marula (*Sclerocarya birrea*) features prominently in the semi-arid, deciduous savannas of southern Africa, and constitutes an essential part of the livelihoods, culture and spirituality of rural communities in its distribution range. Virtually all parts of the tree are used, including the fruits (locally consumed as fruit, or in beer/wine and jams, and internationally traded liqueur), kernels (food), oil (cooking, personal care products), bark, roots and leaves (medicine), and wood (carving, utensils, fuelwood). Commercialisation of marula products takes many forms, from household level trade in beer/wine to international markets for *Amarula* liqueur and the use of kernel oil in personal care products, such as by The Body Shop in a new cosmetics range.

The commercialisation of marula brings a suite of opportunities for rural development and social upliftment, but also a number of challenges and threats – for subsistence users, for the resource base, and for traditional cultures and customs. The focus of this research project – “Winners and Losers in Forest Product Commercialisation” - was to weigh up the costs and benefits of marula commercialisation, and to recommend ways to ensure the delivery of a sustainable, equitable and efficient stream of benefits to rural producers.

This briefing document presents some of the key policy findings from research studies conducted over the course of two years at three different study sites – Bushbuckridge, South Africa; Makhatini, South Africa; and the north-central region of Namibia (former Owamboland). It also identifies a number of policy interventions that are required to redress existing deficiencies impeding equitable and sustainable commercialisation. Although some of these proposed interventions might be marula-specific, it is intended that their application have broader relevance to other non-timber forest products (NTFPs) under commercialisation.

#### Key Policy Issues Arising from the Research

##### 1. Trading away Tradition?

***Those embarking on the commercial development of NTFPs must balance carefully the benefits derived from commercialisation with those derived from subsistence and traditional use, in order to minimise negative impacts on livelihoods and cultures.***

The commercialisation of NTFPs often results in trade-offs between subsistence use and the preservation of traditions, cultures and social norms, and the benefits derived from increased income. In the case of marula, annual income from commercialisation averages R500 per household. Although not a large amount, the timing of marula harvest at the beginning of the school year makes this extra income extremely important for the payment of school fees, clothing, and the purchase of food and household goods, particularly in areas with high levels of poverty. Moreover, women are the primary producers of marula products, so commercialisation provides benefits to members of the community badly in need of cash income, for

themselves and their children. Yet benefits from commercialisation also come with costs. In this case, these include potential reduced reciprocity within the community in the form of decreased social interactions and good neighbourliness associated with the free exchange of marula products, and a decline in respect for traditional systems. There is also the risk that commercialisation will lead to the increased ‘privatisation’ of marula, and the exclusion of certain groups from benefits, or that commercialisation will draw resources into trade and away from important subsistence uses. In the north-central regions of Namibia, for example, one quarter of households do not have direct access to marula fruits and related products, and rely on the goodwill of their friends and neighbours to share the resource. By contrast, in South Africa the resource is more freely available. In all cases, the lesson is to watch carefully for the potential negative impacts of commercialisation on subsistence use, social structures, and cultural traditions.

## 2. Does Scaling Up Mean More or Less Benefits?

***Efforts to increase the commercialisation of marula need to balance the benefits derived by producer communities through increased income, with the potential negative impacts of scaling up, including shifts in benefits away from the most marginalised producers.***

The increased commercialisation of NTFPs inevitably entails a shift from small-scale to large-scale activities. If not carefully planned and managed, this shift can produce undesirable results, especially at the community level and for more marginalised households. Small-scale enterprises will typically maintain activities in the household, involve local labour, be based on simple technologies, have low capital requirements and be accessible to the most socially disadvantaged groups. Growing the industry could involve a different and more entrepreneurial group of people and marginalise long-established producers, introduce new technologies with potentially negative impacts on women and the poor, and remove benefits and control from the community level. Where can the balance be struck? Because of the seasonal nature of marula, scaling up is unlikely to increase monetary benefits at the household level, but will increase the spread of benefits amongst the community, with the involvement of more households. However, increased commercialisation could also result in the possible monopolisation of the resource and trade by particular households or elites within the community, particularly if technological innovation makes processing faster, more efficient and more profitable. Scaling up could also increase the domestication of marula, which if not done carefully, could induce shifts in benefits to richer farmers or to large companies.

## 3. Clarifying Ownership and User Rights in Communal Areas

***Governments should make every effort to clarify land and usufruct rights to facilitate the successful and effective commercial development of marula, and NTFPs in general. In South Africa, the draft Communal Land Rights Bill should recognise that Western approaches to titling may not be appropriate for indigenous resource tenure systems.***

Tenure security is a critical component of any strategy that aims to deliver fair and equitable benefits to communities from the commercialisation of NTFPs. In study sites in South Africa, this issue is especially pertinent given that the main source of marula fruit and other products is from communal lands. These areas formed part of the former ‘homelands’ to which people were removed during apartheid, and remain sites registered in the name of the state, and in which communities have user rights only, and not secure tenure. In the north-central regions of Namibia, communal land ownership is similarly vested in the state, but here most marula fruit is harvested from people’s fields or homesteads, and virtually all marula trees are tenured to individual households. Nonetheless, in both countries, insecure land tenure and resource rights could have significant impacts if commercialisation of resources such as marula expands significantly in the future, including:

- increased conflict in areas such as Bushbuckridge, already caught up in administrative wrangles with regard to land and resource allocation;

- lack of resolution on the allocation of resources for subsistence purposes versus those needed for commercialisation;
- a tendency to ‘privatise’ and ‘enclose’ communal areas and resources through adoption of Western titling approaches to tenure, and an erosion of indigenous resource tenure systems; and
- an *ad hoc* and potentially conflict-ridden approach to controlling and managing natural resources.

#### 4. Providing for Strong Local Governance

***Governments should integrate and streamline customary, provincial and national laws concerning marula in places where traditional systems have eroded to a great extent, but minimise intervention in areas where customary law is adequate to deal with the pressures of commercialisation.***

Customary law plays an extremely important role in NTFP management, and is often the only system that is recognised in practice by communities. Customary law governing marula use and management has greater influence than provincial or national law, both in terms of local knowledge of rules and regulations, and enforcement. In the north-central regions of Namibia, these traditional laws are maintained and upheld strongly, but in the study sites in South Africa, democracy and the changing political and social context have exacerbated resource management problems and have led to an erosion of the role of traditional authorities. Customary laws governing marula use have thus become less rather than more effective in recent years in much of South Africa, although they remain more effective than provincial or national laws. In areas such as northern KwaZulu-Natal, where traditions are strong, customary laws are also more operative than in less traditional areas such as Bushbuckridge. The tenurial systems that apply for marula are significantly different between South Africa and Namibia, and individual and community-policing of resources is likely easier for trees strongly tenured to households, as in north-central Namibia, than for trees in communal areas, common in South Africa.

The findings argue for greater integration of customary, provincial and national laws in places where traditional systems have eroded to a great extent, as in parts of South Africa, where tenure is insecure, and where concerns exist about natural resource management, particularly in the face of dwindling resources and capacity for these functions from central and provincial government. Where tenure is secure, customary laws are strong, and local capacity exists to manage the resource and deal with the pressures of commercialisation, as in north-central Namibia, decentralisation and reliance on customary law is both desirable and essential. However, as commercial pressures rise, national oversight and a supportive institutional environment are necessary, as is the streamlining of fragmented and conflicting legislation for marula management, particularly in South Africa. Improved information flow and coordination could also enhance the performance of both government and traditional authorities.

#### 5. Securing Political Support for NTFP-based Industries

***Policy-makers should translate their theoretical support for marula commercialisation and sustainable use into practice through research, marketing and legal support.***

Although there is growing international, regional and local interest in the diversification of farming systems, NTFPs – particularly when they have not yet developed into large-scale agriculture – tend to be invisible to policy-makers. As a consequence, their management and influence on local livelihoods often go ignored by policy-makers and can suffer unintended side effects from regulatory policies. For example, despite the value to local economies, women trading marula beer in South Africa encounter legal difficulties associated with selling alcohol. NTFPs can also be over-regulated, and licensing requirements established to restrict the harvesting of marula fruit products could lead to a decline in rural livelihoods. At the level of rhetoric, there is considerable political backing in the region for marula, stemming from growing support for the African Renaissance and pride in African products. Yet in reality, and in South Africa in particular, this sentiment is not always matched by practice. Steps thus need to be taken to

translate rhetoric into reality, through concrete research, marketing and legal initiatives that promote, and do not hinder, the commercialisation and sustainable use of marula.

## 6. Ecological Sustainability and Commercialisation: Providing Incentives for Protection or Promoting Degradation of the Marula Resource Base?

***Government officials, extension workers, service organisations and communities should take steps to maintain and enhance the marula resource base through improved management and appropriate domestication, including the retention of male trees in the landscape.***

NTFPs can produce income for local groups, while providing economic incentives for the sustainable use of species and habitats. By providing an incentive for the cultivation and protection of marula trees, for example, the commercialisation of marula fruits and kernels could positively impact the marula resource base. Furthermore, the integration of cultivars within agroforestry practices could result in landscapes that are biologically more diverse than is currently found. The abundance of marula fruits makes the threat of over-harvesting less than for other commercially valuable NTFPs in the region. However, natural recruitment is low, largely due to lower densities of male trees through deforestation and selective removal, fruit harvesting, use of male trees for fuelwood, and a possible decline in pollinator populations. Although the current density of adult female trees is sufficient to meet existing fruit demand for household use and moderate commercialisation, poor years could well lead to demand outstripping supply, exacerbated by deforestation, which has already impacted marula populations in some areas. With increased commercialisation, it might prove necessary to maintain and enhance the marula resource base through planting with selected cultivars, improved management and domestication.

## 7. Industrial-Scale Cultivation or Farmer-Led Domestication?

***Governments, NGOs and other relevant service organisations should establish participatory domestication programmes among marula-producing communities to select superior trees, develop cultivars, and grow them locally. This should be done through a process that leaves the germplasm and knowledge with the community, and empowers them to determine their own commercial opportunities and glean appropriate benefits.***

Many NTFPs reach a threshold of commercial value, where efforts to cultivate the species become widespread and generally switch into the hands of larger-scale producers. Examples from the region include rooibos tea, and increasingly Devil's Claw. Marula could fall into this pattern, although its wide distribution and abundance, and primary consumption at a community level, make this less likely than for scarce species with a restricted distribution, and large national and international markets. However, if domestication is pursued as a strategy for commercialisation, the nature and scale of these efforts require careful consideration. The granting of Plant Breeders Rights (PBRs), combined with large-scale industrial demand, could lead to a scenario whereby the benefits of commercialisation shift from poorer groups of farmers to richer ones, or to multi-national companies. Without assistance and support to protect their rights, those gathering wild marula may not be best suited to undertake large-scale domestication. Participatory domestication programmes in marula-producing villages should thus be established to keep communities involved in production and to ensure they are the beneficiaries of future commercialisation initiatives.

## 8. Intellectual Property Rights: Useful Tool or Potential Threat?

***Urgent efforts should be made by relevant government ministries in Namibia and South Africa to develop and implement systems to protect community-based cultivars that do not involve monopoly rights, and which promote poverty alleviation, food security and sustainable agriculture. This should be based upon the 'African Model Law for the Protection of the Rights of Local Communities, Farmers and Breeders', and done as part of legislative reforms currently underway in these countries for biodiversity management, indigenous knowledge protection, and plant genetic resource conservation and use.***

Intellectual property rights (IPRs) can both positively and negatively impact the interests of primary producers. In order to realise benefits from the use of IPRs, however, communities need substantial financial and technical support. Two types of IPRs - trademarks and geographical indications - might help protect southern African marula producers, processors, and marketers from competitors selling products that do not contain any marula, or which are derived from sources outside the natural range of marula. But through Plant Breeders Rights, IPRs can play a negative role by preventing rural communities from using material that has been 'improved' by commercial breeders, and facilitating the unfair use by commercial breeders of material that was originally 'improved' and domesticated by communities.

There are several international laws regulating IPRs, including the TRIPS agreement of the World Trade Organisation which requires member states to protect plant varieties, and the UPOV Convention, which protects new varieties of plants. However, the UPOV system is geared towards industrial application and is poorly suited to protect the interests of rural producers. The monopoly nature of UPOV and Plant Breeders Rights makes their application to marula particularly inappropriate given the strong social traditions and culture of marula, which are community rather than individually based. The 'African Model Law for the Protection of the Rights of Local Communities, Farmers and Breeders' provides an alternative way to protect the rights of holders of knowledge, and to ensure they receive a fair share of benefits arising from commercialisation of protected varieties. This is significant because local people have already selected marula trees for particular characteristics, and local domestication and 'improvement' of marula trees holds considerable potential for the selection and development of cultivars against fruit and kernel 'ideotypes'. Urgent efforts thus need to be made to develop systems to protect community-based cultivars that do not involve monopoly rights, and which promote poverty alleviation, food security and sustainable agriculture.

## 9. Pursuing Models of Commercialisation that Meet the Needs of the Rural Poor

***To ensure that local people capture a greater share of benefits from NTFP commercialisation, basic management, financial, and institutional capacities must be in place. Models of commercialisation should build upon these attributes and emphasise meeting the needs of the rural poor.***

A wide variety of results can emerge from different NTFP commercialisation models that are adopted by the state, non-governmental organisations, producer communities, and the private sector. Four main models of marula commercialisation currently operate in southern Africa: the 'Local Entrepreneur', the 'Altruist', the 'Honest Broker', and the 'Corporate Buyer'. The benefits and risks involved in each are summarised in Table 1, and illustrate the importance of developing models based on partnerships between producer communities, NGOs, and the private sector. All of these models also point towards 'winning' conditions that must be in place to ensure that local people capture a larger portion of benefits and commercialisation efforts find success, including:

*Management and Institutional*

- the quality of information that the producer and/or agent has about markets, and the efforts placed on creating and promoting markets;
- the extent to which individuals are organised as a group;
- coordinated production within and between communities;
- skills in bargaining;
- the extent to which a producer and/or agent is ‘networked’ and linked into partnerships;

*Logistical*

- access to transport by the producer;

*Financial and Market*

- the quality and consistency of products received;
- the existence of a diversity of products, markets, players, and industries; and
- awareness among consumers as to the product or brand.

**Table 1. Marula commercialisation models**

Commercialisation model	Description of key players and activities	Financial and other benefits	Positive elements of the model	Limitations and risks of the model
<b>The Local Entrepreneur</b>	Women trading beer/wine/kernels in local markets	-Annual income of R500 to some 200 households (BBR); - 0-87% of women sell wine and earn R50-4000 annually (Namibia); - 40% of women sell kernels earning R30-400 each per season (Namibia)	- Women retain ownership and control of the enterprise; - Low barriers to entry; -Easy to initiate trade without outside actors; -Value adding occurs; -Entrepreneurial skills are built.	-Greater income than fruit sellers, but on an effort basis only 1.3 times more than average farmworker; -Seasonality of income; - Market saturation as more women engage in the trade; -Wastage due to poor shelf-life of beer.
<b>The Altruist</b>	Mineworker’s Development Agency, donor-sponsored job creation project producing marula pulp and oil.	- Annual income of R127 to 197 households involved in selling fruit; - Annual income of R1440 to 27 households involved in processing 236 tons fruit	- Possibility exists for community-based ownership of the enterprise; - Some linkages exist with foreign export markets; - Strengthening of organisational capacity occurs at village level through setting	- Reliance on external funding (although this is limited to the development phase until a viable business is developed); - Generates the least income per effort for suppliers, between 0.3 and 1.2 times that of the average farmworker; - Producers are

			<p>up of committees;</p> <ul style="list-style-type: none"> <li>- Low barriers to entry;</li> <li>- Cost recovery gradually being established.</li> </ul>	<p>price takers;</p> <ul style="list-style-type: none"> <li>- Difficulties in meeting quality and quantity required by corporate buyers based on low-technology, community-based processing.</li> </ul>
<b>The Honest Broker</b>	<p>Partnership between Eudafano Women’s Cooperative Ltd., Katutura Artisans’ Project, and the NGO CRIAA SA-DC, centred on the production of cold-pressed marula oil for the cosmetic market</p>	<ul style="list-style-type: none"> <li>- Average annual income of R450 to 750 producers (2000);</li> <li>- Average annual income of R200 to 1483 producers (2001).</li> </ul>	<ul style="list-style-type: none"> <li>- Community-based ownership of the enterprise;</li> <li>- Linkages with foreign export markets;</li> <li>- High levels of organisation within Cooperative;</li> <li>- Involvement of organisations with processing, management and marketing skills and capacity;</li> <li>- Minimises intrusion into traditional use of marula for beer/wine and leaves marula fruit in households for consumption and local trade;</li> <li>- Kernel production and trade fits well with agricultural and other obligations;</li> <li>- Cost recovery gradually being established;</li> <li>- all marketing done under Eudafano.</li> </ul>	<ul style="list-style-type: none"> <li>- Reliance on public monies (although this is limited to the development phase for institutional capacity building, research and marketing);</li> <li>- Difficulties in meeting quality and quantity required by corporate buyers based on low-technology, community-based processing.</li> </ul>
<b>The Corporate Buyer</b>	<p>Production of Amarula liqueur by Distell</p>	<ul style="list-style-type: none"> <li>- Average annual income of R1340 to 419 households</li> </ul>	<ul style="list-style-type: none"> <li>- Greatest profit for marula fruit traders who</li> </ul>	<ul style="list-style-type: none"> <li>- Model based on ‘trickle down’ benefits rather than</li> </ul>



	<ul style="list-style-type: none"> <li>- R100 000 for development projects in the area</li> </ul>	<ul style="list-style-type: none"> <li>earn 1.3-2.1 more than farmworker;</li> <li>- Company has the ability to invest in marketing, image-building and product development.</li> </ul>	<ul style="list-style-type: none"> <li>community-based ownership of the enterprise;</li> <li>- Producers are price takers;</li> <li>- Larger profits hinge on traders transporting fruit at their own cost;</li> <li>- Skewed power relations between producers and company;</li> <li>- High levels of secrecy on the part of the company, which disenfranchises producers from business;</li> <li>- Availability of synthetic replacements may displace need for raw material.</li> </ul>
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## 10. Technology and its Impacts on Women

***Those introducing new processing technologies for marula need to balance carefully the efficiency benefits this will bring against potential impacts on the most marginalised groups, and women in particular.***

The introduction of new mechanised technologies arising from increased commercialisation of NTFPs can attract men to the enterprise and further marginalise women in the process. This could have profound impacts in the case of marula, where women currently have a dominant role in supplying and processing the fruits and kernels. These women also tend to be the most marginalised and poverty-stricken in the community, so adoption of new technologies by men might further reduce their economic status. Already, men control marula-processing technologies such as fruit and oil presses in many cases. It is far more advantageous for the community if women maintain control over marula production given that their income-spending priorities lie in maintaining the good health and welfare of the household, and in supporting their children.

## 11. The Importance of Diversity

***Through effective natural resource management, governments, traditional authorities and communities should ensure the continued use of a wide range of NTFPs, including marula, to support rural livelihoods. Commercial enterprises of all sizes should promote the development of a wide range of marula-based products and markets.***

Diversification – in species used, products produced, markets traded, and players involved - is an extremely important strategy to minimise the risks of NTFP commercialisation for rural communities. This is

especially true for marula, given its highly seasonal nature and relatively low income-earning potential. On its own, marula is unlikely to provide a sustainable livelihood, but taken together with other NTFP use and livelihood activities it can generate much-needed income at a crucial time of the year. Diversity in end products and industries into which marula feeds also minimises risk to producers, and can extend earnings throughout the year. This could include targeting local, national and international markets; developing a variety of products to meet the needs of different consumers, from cosmetics to liqueurs to jams; and encouraging different sized enterprises to engage in the trade at different levels.

## 12. Placing Marula within a Broader Context

***Management strategies for marula should be integrated into local and regional-level planning initiatives. Efforts should be made to communicate these strategies to relevant authorities, to enhance cooperation amongst them, and to increase awareness about the value of marula to all user groups.***

NTFPs are harvested and used within the context of broader development and land-use pressures. Interventions for the effective management of these resources thus need to take place at a number of different levels. In the case of marula, tree felling must be viewed within circumstances of escalating poverty and unemployment which make electricity unaffordable and result in increased use and trade of firewood, post-democracy changes in governance, and in some areas increased populations and broader deforestation. Similarly, unsustainable levels of bark harvesting are often driven by demands for herbal medicines from growing populations in metropolitan areas. The underpinning reasons for marula mismanagement thus fall outside the purview of a single authority and are often symptomatic of a far more complex set of problems. Ways to redress these problems include the integration into local and regional-level development planning initiatives of strategies to manage marula, as well as efforts to improve communication and cooperation amongst relevant authorities, and enhance awareness amongst user groups.

The findings outlined in this policy brief emanate from a series of reports by different members of the project team. Full copies of these reports can be found at:  
<http://www.ceh-wallingford.ac.uk/research/winners/>

This publication is an output from a research project funded by the United Kingdom Department for International Development (DFID) for the benefit of developing countries. The views expressed are not necessarily those of DFID. Project R7795, Forestry Research Programme.