

# The challenges of transforming an industry organisation

GIZ/ABioSA/Brett Eloff



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## A new South African Honeybush Tea Association (SAHTA)



**forestry, fisheries  
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## Introduction

The South African Honeybush Tea Association (SAHTA) was formed in 1999 to coordinate industry activities.

The association officially registered as a Section 21 Company in 2009, at a high point in the industry's growth. It was a time of momentum, promise and scientific cooperation. The association regularly collaborated with researchers from the Agricultural Research Council, Stellenbosch University and the Western Cape Department of Agriculture's Research Directorate.

In 2020, under the auspices of ABioSA Phase 1, SAHTA was formally engaged to identify and consult with key industry stakeholders in a bid to co-develop a Sector Development Plan (SDP) for Honeybush.

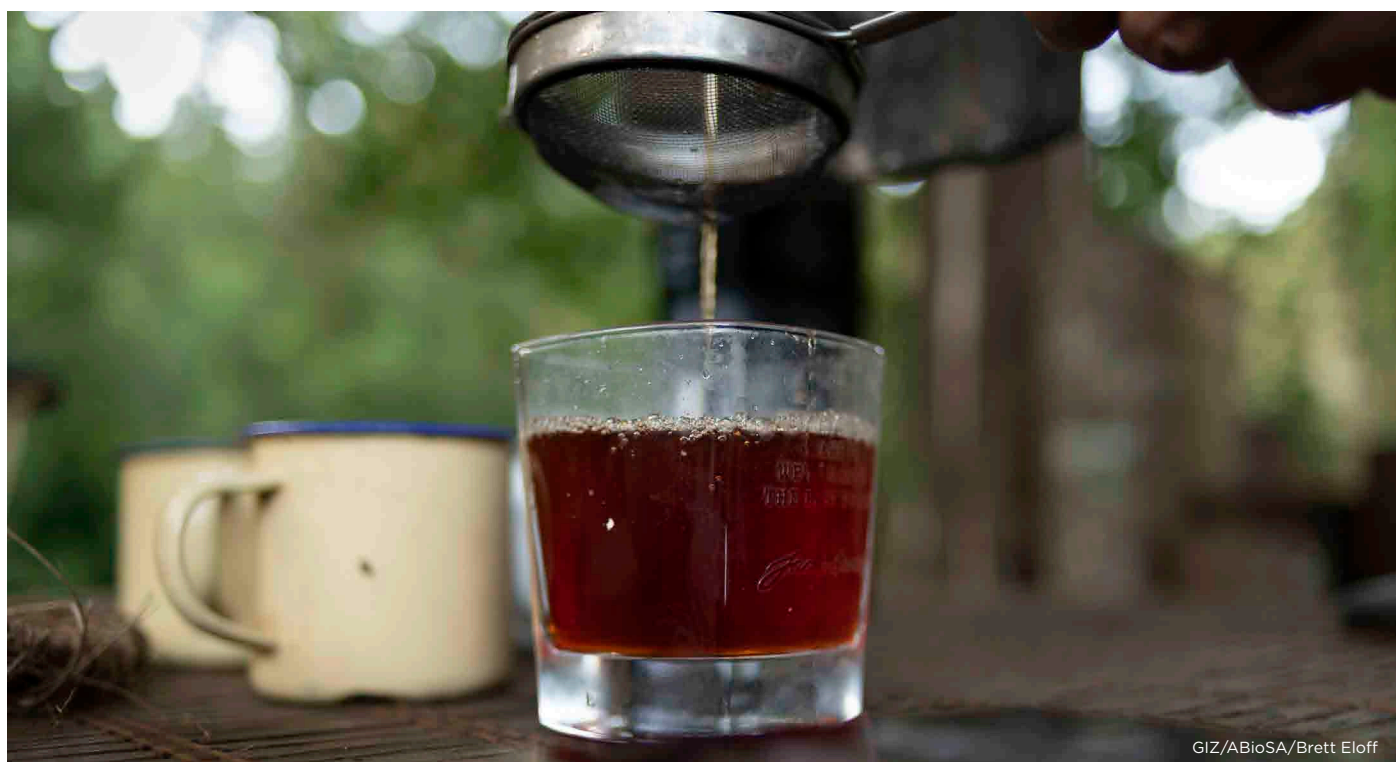
However, the process was not limited to SAHTA members alone. Engagements were also held with a variety of other Honeybush actors – many of whom operated outside the SAHTA fold, and across both the Western and Eastern Cape – alongside academic and civil society representatives.

The result was a sector development strategy with a broader focus and more inclusive orientation than that which had previously been supported by SAHTA's leadership. This posed a clear challenge to SAHTA's authority and cohesion. In a small and emerging industry, such fragmentation posed serious risks – not least to the implementation of activities for which grant funding had already been secured.

Faced with this pressure, a clear call for cooperation emerged from within the industry. In October 2022 a new SAHTA Board was elected. It was a diverse group of ten members with varying levels of financial interest in the Honeybush industry, differing lengths of experience, some heading long-established operations, others at the helm of new ventures. The board also included environmental experts and academics – a collective perhaps not yet aligned but reflective of a more inclusive industry vision.

This reorganisation of the industry association unfolded against the backdrop of serious economic pressure on the industry's survival.

Over the last decade, Honeybush exports have fallen from historical highs of around 600 tonnes to just 292 tonnes of dry tea in 2023/24. Since 2022, three of eight medium-to-large processors have closed – two of which had been operating since the mid-1990s. The price of Honeybush tea at local retail remains 1.5 - 2 times more expensive than Rooibos or Ceylon tea, despite processor bulk prices of around R100/kg.



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## Critical moments: failures, fortitude and the fragility of progress

### **Inherited grant implementation: a trial by fire**

The first critical test came quickly. In February/March 2023, the new board was expected to begin executing the GIZ grant project to support the implementation of the sector development plan. However, the diverse individual representatives had not developed the proposal. Given the responsibility they were willing to accept in this new organisation, they first had to fully grasp the financial and administrative implications.

Some members had contributed to the SDP back in 2021, but since SAHTA was in organisational flux, the grant proposal itself had been submitted by another NPO (with administrative capacity) on the association's behalf.

The new board's first task was to understand the grant, align around the activities, and begin implementation – without the benefit of institutional memory or involvement in the development of the project.

### **The first AGM: a necessary nightmare**

Shortly after, and with a lot to do, came the first Annual General Meeting. In hindsight it was chaotic – the board was insufficiently prepared, formal communications were procedurally shaky, and there was a large member turnout.

But these growing pains were necessary. They highlighted some of the most basic but crucial lessons: send documentation in advance, prepare participants, and create space for participation. While some mistakes were unavoidable, their impact was not wasted – subsequent AGMs were notably better prepared and far more inclusive.

### **Cashflow crisis: when reality bites**

The new board managed to get sufficient approval to get implementation underway. Then they hit another major hurdle: cashflow.

SAHTA incurred costs for project management, service provider appointments, travel, communication – but grant disbursements were delayed.

The administrative and financial bottlenecks quickly took their toll. While this is common to donor projects, it was unexpected by the board members. It was the first experience for most of them of managing a donor-funded project.

This moment could have torn the organisation apart. But instead, it galvanised a response. While some board members worked patiently through the bureaucratic obstacles, others secured bridging finance to keep the project afloat.

### **Too much opportunity with too little capacity**

Ironically, success brought its own challenges. Within two years, SAHTA was suddenly on the radar of national and international funders, researchers and development partners.

Two factors drove this visibility:

- Honeybush's potential for market growth as a sustainable, indigenous product
- SAHTA's repositioning as a 'transformed' industry body

But this attention came with a deluge of development language, proposals, and partnership offers – requiring time, human resources and strategic focus. Decision-making became slower and more difficult, particularly given the diversity of board and member interests.

### **The Honeybush small grant: a costly mirage**

One such opportunity – the Honeybush Small Grant – offered a chance to invest in wild harvesters, sustainable harvesting, generic marketing and market access initiatives.

Despite serious concerns about timelines and feasibility, SAHTA invested heavily in developing its proposal. More than 50 other industry stakeholders also applied. But the grant never materialised.

Unfortunately, because of SAHTA's visibility, it bore the brunt of the disappointment. Although the association was just one applicant among many, many blamed it for the lack of communication and follow-through – dealing a blow to its hard-won credibility.

### **Balancing transformation and economic survival**

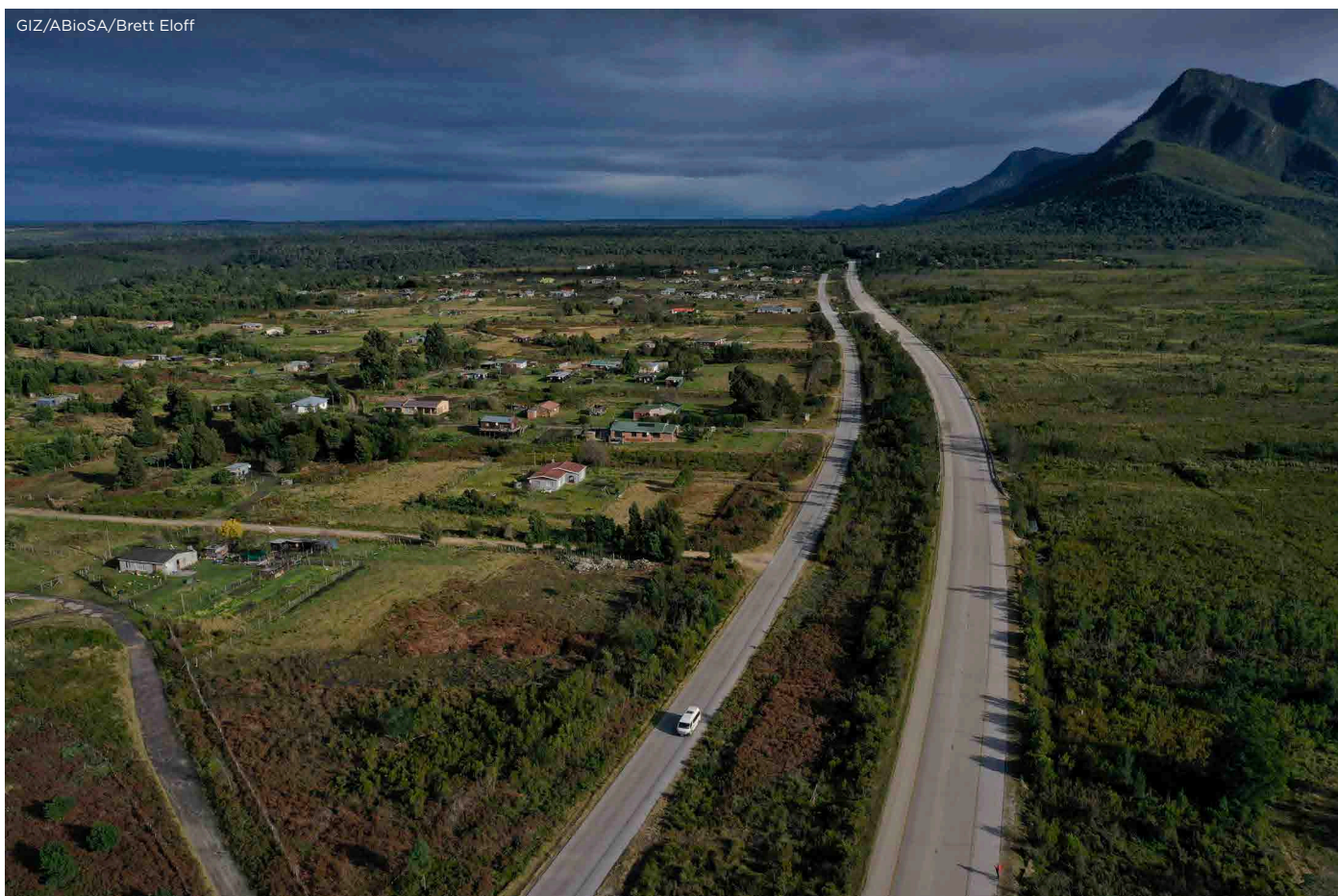
As the organisation has developed, SAHTA board members have become more assured about their positions and roles. The discussion has shifted from *'who'* to *'how'* to grow and develop a sustainable Honeybush industry.

Established industry players are concerned that high retail prices are stifling domestic consumption. The risk is that Honeybush remains a niche product, unable to generate large-scale employment or compete in mainstream tea markets. Their view is that focusing on lowering the market price could stimulate demand, improve economies of scale, and secure livelihoods along the value chain.

For new entrants, transformation is not just about representation. It is an opportunity to grow the industry from the grassroots up, tapping into funding streams, research partnerships, and market development initiatives aimed at building a more inclusive and innovative industry.

The new broad base of SAHTA members – particularly the inclusion of black-owned and community-based producers – has made the association eligible for funding and development support that would not be available to a less inclusive industry body.

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## Lessons learnt



### **Start with information**

Gathering relevant data and perspectives is essential. In an industry with diverse players and interests, this takes time – but that’s the price of sound and inclusive decisions.



### **Beware the shiny object**

If it sounds too good to be true, it probably is. Slow down, assess the risks, and consider not only the intended benefits but also the unintended consequences.



### **Embrace the politics**

Transformation is not a technocratic process – it’s political, and often emotional. Participants must reflect on their own social, ideological and economic positions, and manage power imbalances with responsibility and care.



### **Confront economic realities**

Economic realities must be confronted alongside social transformation goals. In the Honeybush industry neither can succeed in isolation. Representation brings opportunities but also demands investment in capacity-building for new entrants to fully participate in structured and informed decision-making.



### **Conflict is inevitable – what matters is how it’s handled**

SAHTA’s journey shows that misunderstandings and tension can be constructive if there is a willingness to engage with them openly and honestly. A soundboard or external mentor/coach can help individual members or groups resolve difficult moments of decisions.



### **Most policies develop in response to crisis**

Risk mitigation procedures, internal rules, and reporting mechanisms were often created in direct response to hard lessons – and that’s okay. It’s how good governance evolves.



## Key factors for success



### **Regular communication and democratic process**

Clear procedures help when dealing with complexity. Working groups, monthly board meetings, inclusive agendas, transparent minute-taking, and the effective use of WhatsApp groups (for both information and decision-making) have kept things on track.



### **Structure matters**

Opportunities for individual feedback and democratic process (quorums and regular voting) allows for inclusivity without paralysis.



### **Patience**

Transformation is slow. The association has learned to embrace this and to go slower, together.



### **Accepting and managing power dynamics**

Acknowledging the varying capacities, resources, and perspectives of participants is key to enabling fair participation.



### **Speak plainly - but with care**

“Calling a spade a spade” has its place, but so does the diplomatic introduction.



### **Recognise diversity as strength**

Different personalities and perspectives are essential for keeping the organisation grounded in the diversity of interests it represents; even when it gets messy. Diverse perspectives bring different insights which can lead to new ideas and solutions.



### **Document, document, document**

When problems arise, written procedures and agreed policies provide clarity and reduce the risk of escalation.

## Ongoing challenges

### **Equity in participation**

Representatives of the new entrants (i.e. black-owned Honeybush enterprises) lack the time and/or financial flexibility to engage in industry structures and activities without external support to cover their direct costs. This remains an uncomfortable truth that needs confronting.

### **Enterprise and knowledge development for traditional knowledge holders and new entrants**

Traditional knowledge holders and new entrants need access to technical, market and business development support – much of which they are looking to SAHTA to help coordinate.

### **Wild harvester representation**

Ensuring the rights, sustainability, and livelihoods of wild harvesters must remain a focus – and this requires innovative thinking around models of representation and assurance of sustainable harvesting practice.

### **Reconciling the priorities of diverse membership**

Established players emphasise the need to reduce prices to grow the market, increase sales, and strengthen the industry's competitiveness. Emerging players, on the other hand, see transformation and broad representation as a means to unlock funding, build skills, and expand the Honeybush value chain into local markets and potentially higher-value products.

SAHTA faces the challenge of finding common ground between these perspectives, enabling it to serve both as a credible voice for the sector's immediate survival and as a driver of long-term, inclusive growth.

## Transforming industry associations – some conclusions

There is no blueprint or cookie-cutter model for transforming an industry association. Each context is unique and shaped by:

- The state and dynamics within the industry in which the association develops
- The objectives and priorities of key stakeholders and their reasons for collaboration
- The personalities and capacities of those who step up to lead
- A shared understanding (even if limited) of the greater good

Most early-stage agreements are built on a set of lowest common denominators. That's fine. These shared objectives – if genuinely owned – can serve as a launchpad for collective action, relationship building and, ultimately, trust.

Transformation is a journey. Although SAHTA's journey is far from over, it has shown that even the most fragmented and fragile organisations can evolve if there is honesty, commitment, and a willingness to learn.



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