



## Catalyzing Financing and Capacity for the Biodiversity Economy around Protected Areas Project (P170213)

EASTERN AND SOUTHERN AFRICA | South Africa | Environment, Natural Resources & the Blue Economy Global Practice | Global Environment Project | Investment Project Financing | FY 2022 | Seq No: 7 | ARCHIVED on 28-Jun-2024 | ISR59859 |

Implementing Agencies: Department of Forestry, Fisheries and Environment (DFFE), iSimangaliso Authority, Republic of South Africa, South Africa National Parks (SANParks), South African National Biodiversity Institute (SANBI)

**Key Dates****Key Project Dates**

Bank Approval Date: 08-Jul-2021

Effectiveness Date: 31-Jan-2022

Planned Mid Term Review Date: 29-Feb-2024

Actual Mid-Term Review Date: 25-Mar-2024

Original Closing Date: 31-Dec-2025

Revised Closing Date: 31-Dec-2025

**Project Development Objective (PDO)**

Project Development Objective (from Project Appraisal Document)

To increase investment in three target protected area (PA) landscapes to grow the biodiversity economy and benefits to local communities.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

**Components Table**

Name
Component 1: Build biodiversity economy nodes for community stewardship and livelihoods:(Cost \$7480339.00 M)
Component 2: Knowledge exchange across nodes and capturing learning on wildlife conservation, community stewardship and biodiversity economy:(Cost \$1082515.00 M)
Component 3: Project management and monitoring:(Cost \$427971.00 M)

**Overall Ratings**

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<span style="color: orange;">□</span> Moderately Satisfactory	<span style="color: orange;">□</span> Moderately Satisfactory
Overall Implementation Progress (IP)	<span style="color: orange;">□</span> Moderately Satisfactory	<span style="color: orange;">□</span> Moderately Satisfactory
Overall Risk Rating	<span style="color: orange;">□</span> Moderate	<span style="color: orange;">□</span> Moderate

**Implementation Status and Key Decisions**

The Department of Forestry, Fisheries, and the Environment (DFFE) is the implementing agency for this project and houses the project management unit (PMU). South Africa National Parks (SANParks), iSimangaliso Wetland Park Authority (IWPA), and the South African National Biodiversity Institute (SANBI) are sub-implementing agencies executing activities at three biodiversity economy nodes within South Africa: Greater Kruger, Addo-Amathole, and iSimangaliso. At mid-term review (4-25 March 2024) identified four areas for implementation improvement:

**1. Project closing date.** The project closing date will be extended by 18 months to June 30, 2027, reflecting struggles the PMU had to fill key positions, as well as delays in implementation related to learning WB procedures in the first two years of implementation.



**2. Quality and timeliness of reporting**, especially on environmental and social (E&S) safeguards. Despite training, nodes still have unease with E&S reporting and voiced a need for additional capacity. To make reporting less burdensome on the project nodes, it was agreed that only the E&S Specialist within the PMU will prepare the quarterly E&S report (based on the progress reports provided by the nodes). Social economic transformation specialists (SETs), employed by the provinces, can provide support to the social aspects of the project. However, it may be necessary to increase the capacity of social experts working in the nodes if the SETs are inadequate. It was agreed to reassess this in 3 months.

**3. The Results Framework (RF) requires strengthening:** Amendments to the Results Framework and Monitoring & Evaluation Plan are proposed to i) provide greater clarity on how to meet and measure the indicators; and, in two cases, ii) provide more realistic targets. The most significant change is a downward revision of the number of project beneficiaries. The beneficiary target set at project preparation was calculated on the population data of the nodal areas instead of the population data of the communities targeted as part of the project. This target is unrealistic. The revised targets are as follows: direct beneficiaries = 7,658 and indirect beneficiaries = 9,600 for a total of 17,258.

**4. Pace of disbursement.** The project has disbursed 29 percent compared to a mid-term projection of 36 percent. Despite satisfactory financial management (FM), the project has faced challenges with timely reporting to maintain financial compliance. Reporting delays were reported due to 1) struggles with the financial reporting template and delays in securing adequate FM capacity at the nodal level; and 2) a multistep process that is sequential (i.e., nodes report to PMU which reports to WB and to NT before a withdrawal application can be finalized; once WB transfers funds into the country, funds have to be transferred from a holding account to DFFE and then onward to the accounts of each sub-implementing agency). If any step is late, it delays the process. This has resulted in some nodes running out of project funds. A recent FM workshop 1) confirmed quality of FM capacity within the project nodes; 2) streamlined the financial reporting process by ensuring nodes report their IFR inputs directly to the DFFE CFO office; and 3) adapted the financial template to better accommodate needs of the project. This has already resulted in improved FM performance.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	☐ Moderate	☐ Moderate	☐ Moderate
Macroeconomic	☐ Substantial	☐ Substantial	☐ Substantial
Sector Strategies and Policies	☐ Moderate	☐ Moderate	☐ Moderate
Technical Design of Project or Program	☐ Moderate	☐ Moderate	☐ Moderate
Institutional Capacity for Implementation and Sustainability	☐ Moderate	☐ Moderate	☐ Moderate
Fiduciary	☐ Moderate	☐ Moderate	☐ Moderate
Environment and Social	☐ Substantial	☐ Substantial	☐ Substantial
Stakeholders	☐ Moderate	☐ Moderate	☐ Moderate
Other	--	--	--
Overall	☐ Moderate	☐ Moderate	☐ Moderate

## Results

### PDO Indicators by Objectives / Outcomes

To leverage financial resources and improve capacity to implement the Biodiversity Economy

► Area of landscapes under improved practices (hectares) (Hectare(Ha), Custom)

Baseline

Actual (Previous)

Actual (Current)

End Target



Value	0.00	0.00	0.00	26,600.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	<p>This indicator measures the area of communal land under which new biodiversity stewardship agreements have been completed or consent to proceed to declaration of a Protected Area has been completed. The indicator does not capture the progress made toward achieving these agreements; for example, it does not capture the area of land under which biodiversity stewardship agreements have been made but not yet completed. As part of the MTR, proposed modification to this indicator's definition have been made to capture progress made toward achieving these agreements. The revised definition includes total area of land with improved environmental management practices with endorsed management plans, community land in project nodes subject to a recognized 'Other Effective area-based Conservation Measure' (OECM) involving biodiversity stewardship as recorded in a valid agreement; or area of black-owned private land in project nodes where biodiversity stewardship agreements have been completed or consent to proceed to declaration of a Protected Area has been completed. If the indicator definition has been revised, the following progress will be reported:</p> <p><b>Addo-Amathole:</b> 4,700 hectares under negotiation</p> <p><b>iSimangalio:</b> 3,546 hectares under negotiation</p> <p><b>Greater Kruger-Limpopo:</b> 2,056 hectares under negotiation</p>			
<input type="checkbox"/> Greater Addo-Amathole Node (Hectare(Ha), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	5,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater Kruger-Limpopo Node (Hectare(Ha), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	8,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater iSimangaliso Node (Hectare(Ha), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	13,600.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<b>► Volume of public and private sector resources leveraged for wildlife sector (USD) (Amount(USD), Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	736,302.00	877,324.00	3,750,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	<p>Resources leveraged will include public and private sector investment leveraged during project implementation to be tracked and reported on during project implementation. Public sector investment includes funding allocated by government, for example, the Environmental Protection and Infrastructure Programme (EPIP) funding for fencing of community land and other infrastructure to enable game breeding and safari hunting operations. Private sector investment can include any form of private finance, including financing through capital markets or retail banking equity.</p>			



<input type="checkbox"/> Greater Addo-Amathole Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	251,302.00	342,324.00	1,250,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater Kruger-Limpopo Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	350,000.00	400,000.00	1,500,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater iSimangaliso Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	135,000.00	135,000.00	1,000,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input checked="" type="checkbox"/> Micro and small businesses in biodiversity economy nodes successfully supported to start or expand operations (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	25.00	90.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater Addo-Amathole Node (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	14.00	20.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater Kruger-Limpopo Node (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	8.00	30.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
<input type="checkbox"/> Greater iSimangaliso Node (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	3.00	40.00
Date	31-Jul-2020	09-Oct-2023	26-Jun-2024	31-Dec-2025
<input checked="" type="checkbox"/> Beneficiaries disaggregated by gender (Number, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,000.00	2,515.00	260,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	Indirect beneficiaries include civil society organizations and other government departments and agencies at the national, provincial, district, and local government levels involved in providing the enabling environment for making the project implementation successful. These institutions will benefit from a variety of capacity- strengthening activities. Private sector businesses that enter into partnerships with landholding communities to develop enterprises in nature-based tourism and the wildlife sector will benefit from new investment opportunities. Private sector businesses such as existing lodges and private reserves surrounding the national parks who conclude supply agreements with entrepreneurs in local communities supported through the project will benefit from increased sustainability in their supply chains. New small and micro businesses supported through the project will also benefit.			
☐ Share of female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	50.00	45.00	60.00
☐ Share of male beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	50.00	55.00	40.00

### Intermediate Results Indicators by Components

Component 1. Building biodiversity economy nodes for community stewardship and livelihoods				
▶ Hectares (in nodes) assessed and reviewed for biodiversity value (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	40,000.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	Addo-Amathole Node: 1,260 hectares under evaluation for biodiversity value but not yet completed. Assessment is planned for Yandella, Ndlambe, Longvale, Lower Blinkwater, and Brakfontein. The communities were given consent forms to complete for biodiversity assessment to be done on their lands. Kruger node: Negotiation and consultation phase still underway at Gidjana-Bevhula. iSimangaliso node: A land survey at KwaMakhasa has been completed for 2,867 hectares and a biodiversity report is in draft.			
▶ Micro-business operators reached with targeted business training to develop or expand on supply chain linkages in the Biodiversity Economy (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	212.00	306.00	450.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	Addo-Amathole Node: 212 Micro-businesses reached through SMME Transformation Roadshows and an additional 38 participants engaged during GEF special grants programme training workshops. Kruger Node: 23 SMMEs reached during GEF special grant programme training workshops.			



<input type="checkbox"/> Female micro-business operators reached with targeted business training to develop or expand on supply chain linkages in the Biodiversity Economy (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1.40	14.00	60.00
<input checked="" type="checkbox"/> Small business operators reached with targeted business training to develop or expand on supply chain linkages in the Biodiversity Economy (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	14.00	80.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	<p>Micro business operators are those owning small and very small businesses. "Very small businesses" employ between 6 and 20 employees, while "small businesses" employ between 21 and 50 employees. The upper limit for turnover in a small business varies from ZAR 1,000,000 in the agricultural sector to ZAR 13,000,000 in the catering, accommodations and other sector – in terms of the National Small Enterprises Act (29 of 2004). At least 60% of these beneficiaries will be women, and 70% will be youth. Targeted capacity development over an extended period will be provided to 25-30 selected viable business concepts in each project node that fit directly into growing biodiversity economy value chains and promise multiplier effects in the local economy. This includes both mentorship and specialized technical advice (transaction, investment, legal) for a 24-month period, and grant funding for working capital and required equipment and small-scale infrastructure.</p>			
<input type="checkbox"/> Female small or very small business operators reached with targeted business training to develop or expand on supply chain linkages in the Biodiversity Economy (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	14.00	14.00	60.00
<input checked="" type="checkbox"/> Community governance structure members reached with leadership and governance training (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	39.00	39.00	995.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	<p>Community governance structures in each node will be surveyed by the project node coordinator in the first year of implementation and will include youth, women's and business groupings, as well as structures for governance of communally-held land – including the nodes' Communal Property Associations and Development Trusts, as well as any Special Purpose Vehicles to be established during project implementation under the above structures to ringfence income and expenditure in running specific commercial ventures.</p>			
<input checked="" type="checkbox"/> People who participate in consultations on Biodiversity Stewardship in targeted communities. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	300.00	363.00	760.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	<p>Biodiversity Stewardship is an approach to enter into agreements with private and communal landowners to protect and manage land in biodiversity priority areas. Biodiversity Stewardship Programmes are implemented by provincial and national conservation agencies. The South African Biodiversity Institute (SANBI) convenes the community of practice and supports policy, implementation, and capacity building activities. Biodiversity Stewardship Programme consultations include dialogues between SANParks,</p>			



ECPTA, and iSimangaliso WPA and community landowners with a goal to educate about the Programme and to secure stewardship agreements.				
▶ Project grievances that are addressed within four weeks of receipt (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	80.00
Date	31-Jul-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
▶ Share of targeted community members with rating 'Satisfied' or above on project interventions (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	30-Apr-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025
Comments:	Corporate required indicator for citizen engagement and gender. It reflects demand-side social accountability using a feed-back loop to collect perceptions on interventions related to SMME development			
□ Share of female targeted community members with rating 'Satisfied' or above on project interventions (Percentage, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00
Date	30-Jun-2020	13-Nov-2023	26-Jun-2024	31-Dec-2025

## Performance-Based Conditions

### Data on Financial Performance

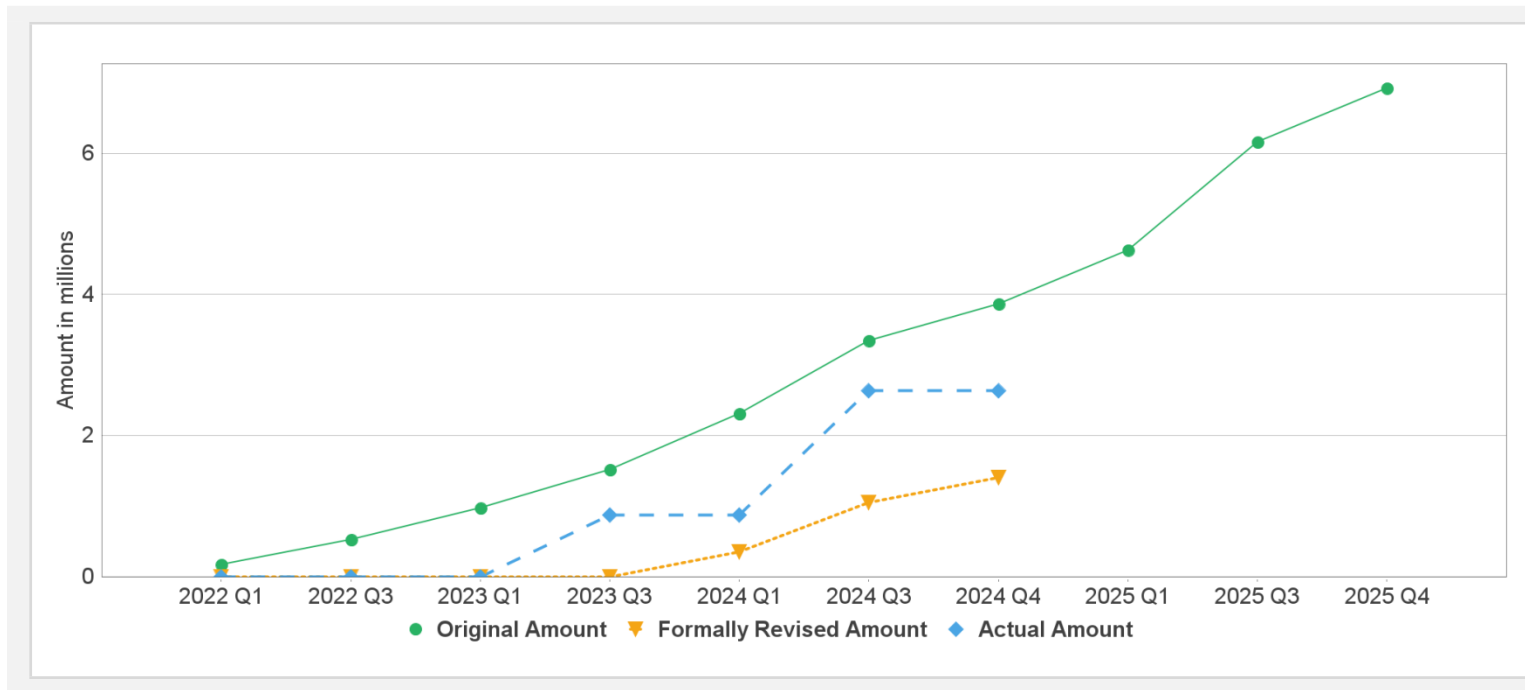
#### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P170213	TF-B5963	Effective	USD	8.99	8.99	0.00	2.63	6.36	29%

#### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P170213	TF-B5963	Effective	17-Aug-2021	17-Aug-2021	31-Jan-2022	31-Dec-2025	31-Dec-2025

## Cumulative Disbursements



**Restructuring History**

There has been no restructuring to date.

**Related Project(s)**

There are no related projects.