



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: 4 | ARCHIVED on 13-Apr-2023 | ISR55027 |

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:

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	<input type="checkbox"/> Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

The project has made progress on staffing, though the project remains understaffed. It also faces delays in procurement. These constraints are negatively impacting the speed of implementation. The project management unit (PMU) -- housed within the Department of Forestry, Fisheries, and the Environment -- completed a first withdrawal on November 3, 2022, and funds were disbursed to project entities on December 21, 2022. The PMU and the three sub-implementing entities have finalized procurement plans equal to more than \$5 million. Of that amount, \$900,000 (18%) is under implementation, \$3.4 million (61%) is pending implementation, \$170,000 (3%) is incomplete, and \$1.2 million (20%) has yet to be submitted for WB no objection. Comfort with WB procurement processes is a challenge, and the task team is providing considerable hands-on support to the PMU and the sub-implementing agencies to speed up procurement. Staffing is another constraint, though good progress has been made in the last



six months (details included below). The WB has been focused on supporting the staffing up of this project as having these key roles filled is critical to implementation. Progress by project component is presented below:

Component 1: Build biodiversity economy nodes for community stewardship and livelihoods

Greater iSimangaliso Node: A leadership and governance capacity development training was convened in December 2022 for 35 members of the Amakhosi and iiNdunas traditional leadership structures. The purpose was to introduce and discuss South Africa's stewardship programme and opportunities for traditional communities to take part in it. A service provider has been appointed to develop a feasibility study to identify economic opportunities and optimal benefits for communities that can be derived from this node. However, the project remains without a permanent project coordinator and relies on part-time support from the Park Authority. The position was advertised only March 23, 2023.

Greater Kruger Node: To advance support of SMMEs, community resolution meetings have been convened to gather information on local SMMEs with in-kind support from GIZ's Employment and Skills for Development in Africa (E4D). The node hosted consultative meetings with Gidjana-Bevhula Management Committees (MANCOs) in November 2022 for leadership and governance capacity development and undertook a skills audit in December 2022. Follow-up community resolutions meetings for Gidjana-Bevhula were hosted from January 2023. Proposal requests for leadership and governance training for all project areas within the node were issued in March 2023. A stewardship work plan and community inclusion guidelines for Gidjana-Bevhula have been developed to guide protected area stewardship arrangements. They were approved by the SANParks management committee and submitted to the Department of Agriculture, Land Reform and Rural Development (DALRRD). A DALRRD submission for land inclusion was completed, and the node will undertake a land valuation exercise. A special purpose vehicle for Gidjana-Bevhula has been initiated for Public-Private Partnerships (PPP) projects. A public community meeting was hosted from December 5-6, 2022, for Gidjana-Bevhula per the DALRRD policies and procedures. Land use and restoration plans for Gidjana-Bevhula have been drafted; a land use plan will be developed next. A nodal coordinator and stewardship ecologist have been hired. Staffing for a biodiversity stewardship facilitator, communications & knowledge manager, and a head of economic development are underway.

Greater Addo-Amathole Node: The node coordinator is in place. To promote small business incubation, the Eastern Cape Parks, and Tourism Agency (ECPTA), in partnership with South Africa National Biodiversity Institute (SANBI), has initiated a process to recruit a community reserve manager for the Brakfontein farm, field rangers and gate guards. Focus is on finalizing terms of reference for the game meat and SMMEs development feasibility studies, delivering a leadership and governance capacity development training, and preparing for a roadshow in June 2023 to identify SMMEs proximal to the node and present opportunities for linkage to the park.

Component 2: Knowledge exchange across nodes and capturing learning on wildlife conservation, community stewardship and biodiversity economy

South African National Biodiversity Institute (SANBI): The 3rd National Biodiversity Stewardship Conference was convened March 6-8, 2023, as a key deliverable of this project. It brought about 120 leaders in conservation and stewardship in South Africa together, including representatives from national park authorities; all nine provincial park authorities; NGOs; community organizations; and development partners. This year marks the 20th anniversary of South Africa's Stewardship Program, which is the country's main mechanism to expand the footprint of land under protected area status.

Component 3: Project Management and Monitoring: The PMU hired a project manager (started on April 1, 2023) and an environment and social safeguard specialist will begin in May. To date, the PMU has relied on shared staffing with GEF6 to help support the procurement and FM needs of the project, but this understaffing means procurement, in particular, is delayed. Focus since October has been on developing reporting tools for the project to monitor activity implementation, ESF, procurement, and financial management, and progress toward project indicators. The template is designed to align with required GEF reporting. The PMU is expected to submit its first report to the World Bank mid-April 2023, including the first interim financial report (IFR).

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Macroeconomic	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Sector Strategies and Policies	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Technical Design of Project or Program	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Fiduciary	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Environment and Social	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial	<input type="checkbox"/> 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	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	<p>This indicator measures the area of community land in each of the three project nodes over which stewardship agreements have successfully been concluded. These may include two types of biodiversity stewardship areas: 1. Protected Areas: geographic areas that are formally protected by the National Environmental Management: Protected Areas Act (NEMPA) (57 of 2003). They are managed mainly for biodiversity conservation, and contribute to the protected area estate, for example, a Protected Environment under NEMPA, or a 5-30 year Biodiversity Agreement in terms of the National Environmental Management: Biodiversity Act (10 of 2004). 2. Conservation Areas: areas that are not formally protected by the NEMPA Act, but are nevertheless managed at least partly for biodiversity conservation. They contribute to the broader conservation estate, for example, a Community Conservation Area through a Conservation Agreement. Community land may include (i) communal land, held in trust by the Traditional Authority on behalf of clearly defined community/ies, in terms of the Traditional Leadership and Governance Framework Act (41 of 2003), or (ii) land owned by land reform beneficiaries with settled land claims in terms of the Restitution of Land Rights Amendment Act (48 of 2003), and governed by a Communal Property Association or Development Trust, or (iii) critical ecological landscapes supporting sustainability of the node.</p>			
☐ 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	05-Oct-2022	03-Apr-2023	31-Dec-2025
☐ 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	05-Oct-2022	03-Apr-2023	31-Dec-2025
☐ 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	05-Oct-2022	03-Apr-2023	31-Dec-2025
► Volume of public and private sector resources leveraged for wildlife sector (USD) (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	3,750,000.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	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.			
<input type="checkbox"/> Greater Addo-Amathole Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,250,000.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
<input type="checkbox"/> Greater Kruger-Limpopo Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,500,000.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
<input type="checkbox"/> Greater iSimangaliso Node (Amount(USD), Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	1,000,000.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
► 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	0.00	0.00	90.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	Micro businesses: In terms of the National Small Enterprises Act (29 of 2004), "micro-businesses" have five or fewer employees and a turnover of up to ZAR 100,000. Small businesses: These include both 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.			
<input type="checkbox"/> Greater Addo-Amathole Node (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	0.00	0.00	0.00	20.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	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	0.00	30.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
<input type="checkbox"/> Greater iSimangaliso Node (Number, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	40.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
<input checked="" type="checkbox"/> Beneficiaries disaggregated by gender (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	260,000.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	<p>At the nodal level, communities who live adjacent to PAs, especially within the three targeted nodes, are the targeted beneficiaries. At the national level, the direct beneficiaries are DEFF, SANParks, SANBI and iSimangaliso Wetland Park Authority, while 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.</p>			
<input type="checkbox"/> Share of female beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	60.00
<input type="checkbox"/> Share of male beneficiaries (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	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	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	<p>This indicator measures the area of community land in each of the three project nodes where assessment and review processes informing which biodiversity stewardship agreements have been undertaken and the results communicated with the relevant stakeholders. These processes would support may include two types of biodiversity stewardship areas 1. Protected Areas: geographic areas that are formally protected by the National Environmental Management: Protected Areas Act (NEMPA) (57 of 2003). They are managed mainly for biodiversity conservation, and contribute to the protected area estate, for example, a Protected Environment under NEMPA, or a 5-30 year Biodiversity Agreement in terms of the National Environmental Management: Biodiversity Act (10 of 2004). 2. Conservation Areas: areas that are not formally protected by the NEMPA Act, but are nevertheless managed at least partly for biodiversity conservation. They contribute to the broader conservation estate, for example, a Community Conservation Area through a Conservation Agreement. Community land may include (i) communal land, held in trust by the Traditional Authority on behalf of clearly defined community/ies, in terms of the Traditional Leadership and Governance Framework Act (41 of 2003), or (ii) land owned by land reform beneficiaries with settled land claims in terms of the Restitution of Land Rights Amendment Act (48 of 2003), and governed by a Communal Property Association or Development Trust, or (iii) critical ecological landscapes supporting sustainability of the node.</p>			
▶ 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	0.00	0.00	450.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	<p>Micro business operators are those owning new or existing businesses including both 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 58% of these beneficiaries will be women, and 70% will be youth. Basic training on business planning / expansion: A training course will be delivered to existing and would-be entrepreneurs / representatives of cooperatives in each project node, with emphasis on practical skills such as market research, business planning, marketing and advertising, cash flow management, stock control and security, supply chain agreements, access to finance, and employee management, and also providing hands-on support to develop a business development or improvement plan.</p>			
□ 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	0.00	0.00	60.00
▶ 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	0.00	0.00	80.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	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.</p>			



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.				
<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	0.00	0.00	60.00
▶ Community governance structure members reached with leadership and governance training (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	995.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	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.			
▶ People who participate in consultations on Biodiversity Stewardship in targeted communities. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	760.00
Date	31-Jul-2020	05-Oct-2022	03-Apr-2023	31-Dec-2025
Comments:	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, 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	05-Oct-2022	03-Apr-2023	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	05-Oct-2022	03-Apr-2023	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			
<input type="checkbox"/> 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	05-Oct-2022	03-Apr-2023	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	0.88	8.12	9.7%

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.
