



## **Wildlife Conservation Bond**

### **Part I: Project Information**

**GEF ID**

10330

**Project Type**

FSP

**Type of Trust Fund**

GET

**CBIT/NGI**

CBIT

NGI

**Project Title**

Wildlife Conservation Bond

**Countries**

South Africa

**Agency(ies)**

World Bank

**Other Executing Partner(s)**

SAN Parks, Eastern Cape Parks and Tourism Agency

**Executing Partner Type**

Government

**GEF Focal Area**

Biodiversity

**Taxonomy**

Financial and Accounting, Biodiversity, Focal Areas, Mainstreaming, Tourism, Species, Threatened Species, Illegal Wildlife Trade, Conservation Finance, Protected Areas and Landscapes, Community Based Natural

Resource Mngt, Terrestrial Protected Areas, Productive Landscapes, Influencing models, Deploy innovative financial instruments, Demonstrate innovative approach, Stakeholders, Beneficiaries, Civil Society, Community Based Organization

**Rio Markers**

**Climate Change Mitigation**

Climate Change Mitigation 0

**Climate Change Adaptation**

Climate Change Adaptation 0

**Submission Date**

12/21/2020

**Expected Implementation Start**

4/1/2021

**Expected Completion Date**

3/31/2026

**Duration**

60In Months

**Agency Fee(\$)**

1,238,532.00

**A. FOCAL/NON-FOCAL AREA ELEMENTS**

<b>Objectives/Programs</b>	<b>Focal Area Outcomes</b>	<b>Trust Fund</b>	<b>GEF Amount(\$)</b>	<b>Co-Fin Amount(\$)</b>
BD-1-1	Mainstream biodiversity across sectors as well as landscapes and seascapes through biodiversity mainstreaming in priority sectors	GET	13,761,468.00	160,879,225.00
<b>Total Project Cost(\$)</b>			<b>13,761,468.00</b>	<b>160,879,225.00</b>

## B. Project description summary

### Project Objective

To increase black rhino populations in target protected areas in South Africa.

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
1. Improved rhino conservation management at two project sites (Addo Elephant National Park (AENP) and Great Fish Nature Reserve)	Investment	Critically endangered black rhino population in target sites increased	<p>a. Rhino population management at the two sites to maintain densities that support high growth rates;</p> <p>b. Habitat management through improved water distribution</p> <p>c. Increased range availability at AENP</p> <p>d. Enhanced security interventions for containment and counter-poaching</p>	GET		19,743,882.00

<b>Project Component</b>	<b>Component Type</b>	<b>Expected Outcomes</b>	<b>Expected Outputs</b>	<b>Trust Fund</b>	<b>GEF Project Financing(\$)</b>	<b>Confirmed Co-Financing(\$)</b>
2. National/Regional Enabling Conditions to coordinate shared security and research opportunities	Technical Assistance	Improved enabling conditions for rhino population growth	<p>a. Capacity for law enforcement operations developed at two project sites</p> <p>b. Research and knowledge management carried out to support achievement of rhino growth rates</p>	GET		635,343.00
3. Project management and monitoring	Technical Assistance	Monitoring standards achieved	Monitoring capacity strengthened/maintained to enable project sites to provide key data to inform the issuance of conservation success payment at project close.	GET		500,000.00

Project Component	Component Type	Expected Outcomes	Expected Outputs	Trust Fund	GEF Project Financing(\$)	Confirmed Co-Financing(\$)
4. Bond issuance supported by conservation success payment	Investment	New instrument for conservation finance demonstrated	ZAR-tranche issued to support rhino conservation activities  USD-tranche issued to raise investor awareness about conservation finance  Conservation success payment made to ZAR tranche investors (if average annual rhino growth rate is greater than 0% with maximum payment at 4% rhino growth rate)	GET	13,761,468.00	140,000,000.00
<b>Sub Total (\$)</b>					<b>13,761,468.00</b>	<b>160,879,225.00</b>
<b>Project Management Cost (PMC)</b>						
<b>Sub Total(\$)</b>					<b>0.00</b>	<b>0.00</b>
<b>Total Project Cost(\$)</b>			<b>13,761,468.00</b>		<b>160,879,225.00</b>	

**C. Sources of Co-financing for the Project by name and by type**

<b>Sources of Co-financing</b>	<b>Name of Co-financier</b>	<b>Type of Co-financing</b>	<b>Investment Mobilized</b>	<b>Amount(\$)</b>
GEF Agency	World Bank	Other	Investment mobilized	140,000,000.00
Private Sector	ZAR Tranche Bondholders	Other	Investment mobilized	9,000,000.00
Recipient Country Government	Eastern Cape Parks and Tourism Agency	In-kind	Recurrent expenditures	5,599,367.00
Recipient Country Government	SAN Parks	In-kind	Recurrent expenditures	6,279,858.00
<b>Total Co-Financing(\$)</b>				<b>160,879,225.00</b>

**Describe how any "Investment Mobilized" was identified**

The World Bank will issue a dual tranche bond offering that aims to generate the following: (i) ZAR TRANCHE: approximately US\$40 million equivalent ZAR denominated, development impact bond (coupons fund project; GEF grant funds conservation success payment); (ii) USD TRANCHE: Approximately US\$100 million conservation theme IBRD bond (target bond size; proceeds have no direct link to project or to GEF grant and will be used by IBRD for SDG-related investments) to raise awareness about conservation finance among US and EU investors. The private/institutional ZAR Bondholders agree to forego all WBG bond coupon payments in favor of financing Rhino conservation activities in two project sites of South Africa (the NPV of bond coupon payments is ~ZAR 150 million or ~US\$ 9 million).

**D. Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds**

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>
World Bank	GET	South Africa	Biodiversity	NGI	13,761,468	1,238,532
<b>Total Grant Resources(\$)</b>					<b>13,761,468.00</b>	<b>1,238,532.00</b>

**E. Non Grant Instrument**

NON-GRANT INSTRUMENT at CEO Endorsement

---

Includes Non grant instruments? **Yes**

Includes reflow to GEF? **No**

**F. Project Preparation Grant (PPG)**

PPG Required

**PPG Amount (\$)**

**PPG Agency Fee (\$)**

<b>Agency</b>	<b>Trust Fund</b>	<b>Country</b>	<b>Focal Area</b>	<b>Programming of Funds</b>	<b>Amount(\$)</b>	<b>Fee(\$)</b>
<b>Total Project Costs(\$)</b>					<b>0.00</b>	<b>0.00</b>



Name of the Protected Area	WDP A ID	IUCN Category	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)	METT score (Baseline at CEO Endorsement)	METT score (Achieved at MTR)	METT score (Achieved at TE)
Akula National Park Addo Elephant National Park	125689875	Select National Park	110,264.00	110,264.00			67.00		
Akula National Park Great Fish River Nature Reserve	1256895557100755563563	Select National Park	42,877.00	42,877.00			77.00		

**Indicator 11 Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment**

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	2,030	622		
Male	2,142	1,684		
<b>Total</b>	4172	2306	0	0

## Part II. Project Justification

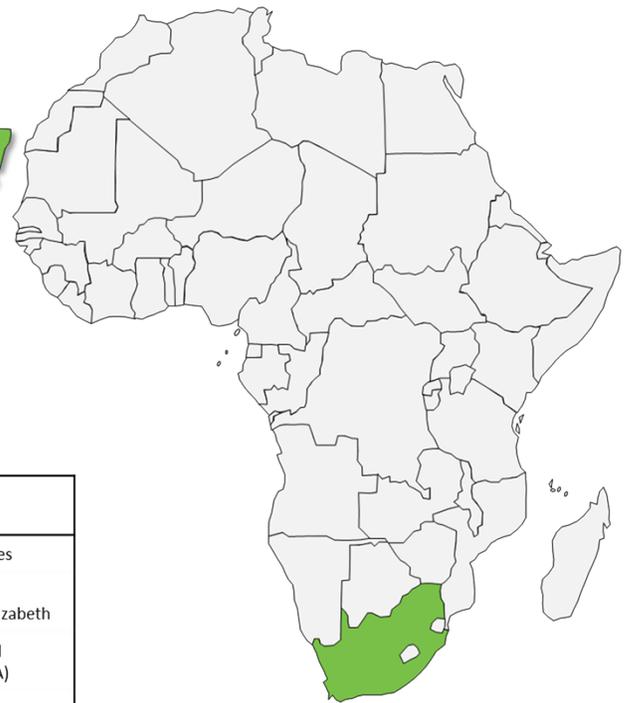
### 1b. Project Map and Coordinates

Please provide geo-referenced information and map where the project interventions will take place.

## Portfolio Construction

### The South Africa Sites

18.5% of South Africa's and 80% of the Eastern Cape Province's black rhino, in a province which saw a 58% increase in poaching in 2018



	Addo Elephant National Park	Great Fish River Nature Reserve
Size	1750km <sup>2</sup> , 175,000 hectares	450km <sup>2</sup> , 45,000 hectares
Location	Eastern Cape 75km north of Port Elizabeth	Eastern Cape 150km north of Port Elizabeth
Implementing Partner	Wilderness Foundation Africa in collaboration with SANParks	Eastern Cape Parks and Tourism Agency (ECPTA)

\*All rhinos in the portfolio are State owned and managed

Name of the Protected Area	WDPA ID
IUCN Category	GPS Coordinates

1. [Addo-Elephant National Park](#) 875  
II National Park S 33° 26' 40" E 25° 44' 19"

2. [Great Fish River Nature Reserve](#) 555571007/555563563  
II National Park S 32° 57' 46" E 26° 50' 32"

### 2. Stakeholders

Please provide the Stakeholder Engagement Plan or equivalent assessment.

Stakeholder Engagement Plan is uploaded into the Portal.

In addition, provide a summary on how stakeholders will be consulted in project execution, the means and timing of engagement, how information will be disseminated, and an explanation of any resource requirements throughout the project/program cycle to ensure proper and meaningful stakeholder engagement

The product development phase for the Wildlife Conservation Bond has involved wide ranging stakeholder consultations: protected area agencies; conservation organisations; donor agencies; and private sector companies. The selection of the portfolio of sites involved the IUCN African Rhino Specialist group and advice received from a large number of conservation organizations working in rhino conservation, including the IUCN Species Survival Commission (SSC) African Rhino Specialist Group (AfRSG). The development of the Theories of Change was tested and received approval from the AfRSG and publication in a peer-reviewed journal. Within the sites themselves, there has been considerable local community engagement. In terms of private sector entities, there has been considerable engagement with potential bond investors, both institutions and individuals, to test the appetite for this type of financing mechanism, and from law firms to facilitate efficient structuring of the instrument.

In addition, the WCB team has been working with the management agencies of the two project sites, South African National Parks and Eastern Cape Parks and Tourism Agency, to provide funding and technical assistance to ensure the sites are investment ready. In addition, the South African Department of Environment, Forestry and Fisheries (DEFF) has been engaged to ensure alignment with national strategies and objectives.

The sites will work with target communities to engage them in project activities through the established Parks Forum and the Community Property Association. The WCB project sites target a biodiversity economy node identified by the Government of South Africa. Community engagement will include benefits to staff currently employed on a permanent basis and project staff on the following programs: Working for water, Working on Fire, Working on ecosystems and Environmental monitors. SANParks will also employ temporary staff that works on an ad hoc basis and for maintenance functions. Through the project SANParks will appoint staff to work as rangers, monitors, gate guards, joint operations center staff and a project manager. Furthermore, there will be employment opportunities during construction phase of new infrastructure as well as maintaining current infrastructure.

**Select what role civil society will play in the project:**

**Consulted only; Yes**

**Member of Advisory Body; Contractor;**

**Co-financier;**

**Member of project steering committee or equivalent decision-making body;**

**Executor or co-executor;**

**Other (Please explain)**

### **3. Gender Equality and Women's Empowerment**

**Provide the gender analysis or equivalent socio-economic assesment.**

1. During project preparation, an analysis of the gender gap and issues in the protected areas was undertaken. In South Africa women are less likely than men to participate in the labor force and, when they do, they tend to earn lower wages. A range of constraints explain this situation, including women's concentration in lower-paid jobs and sectors. In order to address this, the WCB Project was informed by the World Bank Gender Strategy which emphasizes closing the gender gap through the creation of economic opportunities. Jobs in the South African conservation sector, such as rangers, trackers, members of anti-poaching units, protected area management and tourism, were traditionally held overwhelmingly by white males. Deliberate gender equity investment is particularly important in Eastern Cape where there is a higher outmigration of males than women; Eastern Cape has the highest proportion of female headed households in South Africa combined with high levels of unemployment and poverty. However, significant efforts have been made in the past 20 years to address inequities through deliberate programs and investment to improve representation in conservation jobs. This reflects both the national efforts, including the South African Equity Act (1998) and institutional efforts in conservation organizations to address past inequities. SANParks and ECPTA are both equal opportunity employers who formally recognize the benefits of diversity and need to eliminate discrimination. They therefore have in place affirmative action which include ambitious programs, targets and related investments in place to address equity, including gender which may be implemented in an incremental manner.
2. SANParks' equity targets include increasing female and Black representation as well as persons living with disabilities in management positions. The aim is to improve Historically disadvantaged individuals' representation to 70% of management positions; women in management posts to 50%; staff compliment of people with disabilities to 2%. AENP employs 222 staff of which 31% are female and 69% are male.

3. ECPTA requires equitable representation of Historically Disadvantaged Individuals, including women and people with disabilities and reports on the status quarterly. ECPTA employs an Employment Equity Official who oversees the implementation of the Affirmative Action Program. GFRNR currently employs 62 staff of which 34% are female and 66% male but has achieved gender parity at management level.
  
4. However, within Conservation Services, which covers the increased staffing funded under the Project's component 1 to enhance the rhino population, there are higher levels of gender inequities. In GFRNR 69% of current staff are male and 31% are female. In AENP 84% are male and 16% female. The Project will therefore contribute to ongoing efforts by increasing gender equity in Conservation Services in the two PAs. This increase will be facilitated through targeted outreach and recruiting programs in collaboration with the two Park Forum and the local CPAs. Through these efforts the Project actions aims to: promote and increase women's advancement in conversation jobs; contribute to increasing women's incomes and share of benefits from investment; and promote the empowerment of women in conservation.
  
5. GBV/SEA/SH: Gender-based violence (GBV) is widespread in South Africa and inflicts significant economic as well as human costs. While national estimates of GBV do not exist, regional estimates are available as well as national estimates for intimate partner violence (IPV), the most common type of GBV in South Africa. Gender norms and unequal power relations between women and men underlie the high rates of GBV seen in South Africa. One study (UCT, 2016) identifies the following factors associated with the victimization of women: the economic dependency of a woman on a male partner, the extent of the control of the relationship by the man, and the man's personal norms related to inequitable gender relationships (UCT, 2016). These can all be viewed as issues that have unequal gender relations and the social norms that drive them at their root. Specific risks of GBV/SEA/SH and mitigation measures will be addressed in subsequent ESMPs and measures will be put in place to mitigate and manage any risks of incidents and training and awareness raising on GBV/SEA/SH issues and prevention, as well as a referral pathway for survivors. Additionally, bidding documents and contractor's codes of conduct will incorporate GBV/SEA/SH prevention measures.

**Does the project expect to include any gender-responsive measures to address gender gaps or promote gender equality and women empowerment?**

Yes

**Closing gender gaps in access to and control over natural resources;**

**Improving women's participation and decision making** Yes

**Generating socio-economic benefits or services or women** Yes

**Does the project's results framework or logical framework include gender-sensitive indicators?**

Yes

**4. Private sector engagement**

**Elaborate on the private sector's engagement in the project, if any.**

The basis of the Wildlife Conservation Bond is to deliver significant private sector engagement in conservation. Private sector entities will be involved in many aspects of the project, including marketing of the bond, investing in the bond, and in implementation activities. Through this wide-ranging engagement, understanding and capacity of conservation will be developed within these private sector entities about the opportunities for working further in the conservation sphere. We anticipate in this way that this project will have impact within the private sector far beyond the lifetime of the bond.

**5. Environmental and Social Safeguard (ESS) Risks**

Provide information on the identified environmental and social risks and potential impacts associated with the project/program based on your organization's ESS systems and procedures

**Overall Project/Program Risk Classification\***

PIF	CEO Endorsement/Approval	MTR	TE
<b>High or Substantial</b>			

**Measures to address identified risks and impacts**

Elaborate on the types and risk classifications/ratings of any identified environmental and social risks and impacts (considering the GEF ESS Minimum Standards) and any measures undertaken as well as planned management measures to address these risks during implementation.

1. The proposed WCB Project is expected to generate significant environmental and social benefits resulting from its focus on conservation and enhanced management of the ecosystems in Addo Elephant National Park (AENP) and Great Fish River Nature Reserve (GFRNR). It will also have positive impacts on the black rhino population by addressing major challenges for financing their conservation. It is expected to have a positive socio-economic impact because it will enhance the

management and sustainability of the protected areas and support increased tourism promotion of a greater rhino population. The local communities will benefit from this increased investment as for GFRNR the local communities are co-owners and the communities around AENP will benefit from direct jobs and value chain indirect and induced impacts. The enhanced management activities include minor civil works such as installation of boreholes, construction of fences, etc., which are relatively low to moderate risk with site-specific, localized and short-term impacts. Such risks could be associated with inadequate siting of infrastructure, inadequate waste management, insufficient measures for safety and security of community and workers, unsupervised or untrained poaching control and risks associated with rhino translocation. On the social side, the WCB Project design includes incorporation of social inclusion, job creation, increase household income and improve broader social outcomes in the project areas. However, use of security personnel is a primary social risk in the project as the project will support security interventions to address poaching and law enforcement. Although the support to security personnel and law enforcement is intended to target and reduce criminal poaching, use of security personnel has potential to result in violent altercations with suspected poachers. Additionally, minor civil works are likely to result in limited labor influx and potential for Sexual Exploitation and Abuse/ Harassment (SEA/H). The communities living alongside these protected areas are fully engaged in their management and conservation through the existing Park Forum and the Community Property Forum.

2. The project has prepared an Environment and Social Management Framework (ESMF) which identifies the potential risks and impacts, and identifies mitigation measures which the project will need to implement to ensure the activities are being undertaken in an environmentally sound and socially acceptable manner. The ESMF provides guidelines and templates for implementation of sub-projects, including assessment of risks and development of site-specific Environmental and Social Management Plans (ESMPs). Implementation arrangements required for monitoring and supervision, and good practice requirements for occupational health and safety, chance finds and labor management have also been defined in the ESMF.

**Supporting Documents**

Upload available ESS supporting documents.

Title	Module	Submitted
<b>WCB ESRS</b>	<b>CEO Endorsement ESS</b>	
<b>WCB ESCP</b>	<b>CEO Endorsement ESS</b>	
<b>ESMF FOR CONSERVATION BOND PROJECT draft 3Dec20</b>	<b>CEO Endorsement ESS</b>	

**ANNEX A: PROJECT RESULTS FRAMEWORK (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).**

I. RESULTS FRAMEWORK AND MONITORING

**Results Framework**

**COUNTRY: South Africa**  
**South Africa: Wildlife Conservation Bond**

**Project Development Objectives(s)**

To increase black rhino populations in target protected areas in South Africa.

**Project Development Objective Indicators**

RESULT\_FRAME\_TBL\_PDO

<b>Indicator Name</b>	<b>PBC</b>	<b>Baseline</b>	<b>End Target</b>
<b>To increase black rhino population in target sites</b>			
Percent increase of black rhino population in target sites (CAGR) (Percentage)		0.00	4.00

PDO Table SPACE

**Intermediate Results Indicators by Components**

RESULT\_FRAME\_TBL\_IO

<b>Indicator Name</b>	<b>PBC</b>	<b>Baseline</b>	<b>End Target</b>
<b>Improved Rhino Conservation Management</b>			
Area under improved management (Hectare(Ha))		0.00	153,141.00

RESULT\_FRAME\_TBL\_IO

Indicator Name	PBC	Baseline	End Target
Great Fish River Nature Reserve (Hectare(Ha))		0.00	42,877.00
Addo Elephant National Park (Hectare(Ha))		0.00	110,264.00
<b>Improved Rhino Conservation Management</b>			
Beneficiaries of project interventions (Number)		629.00	2,306.00
Gender Equity in Conservation Services (female/%) (Percentage)		22.00	27.00
Great Fish River Nature Reserve (Percentage)		31.00	36.00
Addo Elephant National Park (Percentage)		16.00	21.00
Rhino mortality rate (3-year average < 4%) (Percentage)		4.00	4.00
Great Fish River Nature Reserve (Percentage)		4.00	4.00
Addo Elephant National Park (Percentage)		4.00	4.00
Number of rangers per square kilometer (Text)		0,029 ranger / square km	0,059 ranger / square km
Great Fish River Nature Reserve (Text)		0,029 ranger / square km	0,059 ranger / square km
Addo Elephant National Park (Text)		0,029 ranger / square km	0,059 ranger / square km

IO Table SPACE

UL Table SPACE



**Monitoring & Evaluation Plan: PDO Indicators**

<b>Indicator Name</b>	<b>Definition/Description</b>	<b>Frequency</b>	<b>Datasource</b>	<b>Methodology for Data Collection</b>	<b>Responsibility for Data Collection</b>
-----------------------	-------------------------------	------------------	-------------------	----------------------------------------	-------------------------------------------

<p>Percent increase of black rhino population in target sites (CAGR)</p>	<p>This indicator measures the increase in black rhino population at target sites. The black rhino growth population target is 4% based on the national target for black rhino growth. The indicators are collected by each site and reported separately. Calculation is a weighted average of each site's target.</p>	<p>Annually</p>	<p>The Protected Area (PA) site level monitoring is a continuous process, while the independent evaluation observation date for abundance estimation is a single calendar year. The rhino estimate will be reported annually (at years 0, 1, 2, 3, 4, 5). For each independent evaluation observation date, PA sites must provide at least one piece of date-stamped photo evidence with an associated GPS location. This data will be independently verified at T0, T2, T5. The Independent Verifier will interrogate the evidence files for each observed rhino. The Rhino Outcomes Management System (Rhino-OMS) will be used to provide evidence of black rhino growth performance and used throughout the project lifecycle. The Rhino OMS model is</p>	<p>Sites use a combination of foot patrols, camera trapping and aerial monitoring to provide photo evidence of the rhino population. Each site will provide at least one piece of date-stamped evidence per observed rhino per year for the independent verification process. The data (including the evidence) is loaded onto the Rhino Outcomes Management System, a bespoke database and front end build on AWS architecture, which provides an audit trail of data, and simultaneously allows site management to automate common management queries to rapidly inform decision making and improve rhino biological performance. Site M&amp;E team will collect data on rhino count. Both rhino sites will provide at least one piece of date stamped evidence per observed individual rhino per year. An estimate of the</p>	<p>Site managers will provide a population estimate with confidence intervals and evidence of each observed rhino at launch of the WCB and once per annum during the investment phase. The baseline number of rhinos in each site will be audited and adjudged to be accurate within a confidence interval by a third-party independent verifier.</p>
--------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



**Monitoring & Evaluation Plan: Intermediate Results Indicators**

<b>Indicator Name</b>	<b>Definition/Description</b>	<b>Frequency</b>	<b>Data Source</b>	<b>Methodology for Data Collection</b>	<b>Responsibility for Data Collection</b>
-----------------------	-------------------------------	------------------	--------------------	----------------------------------------	-------------------------------------------

<p>Area under improved management</p>	<p>SanParks and EPTCA site staff will undertake various actions to improve the management of target protected areas (PAs): including habitat management, range availability (AENP), rhino population management, containment and counter-poaching, monitoring, community engagement, and enabling conditions. Improvements to the management of PAs will be assessed using the Management Effectiveness Tracking Tool (METT). The METT is commonly used to assess the management of PAs through assessing different dimensions of management including legal and regulatory framework, law enforcement capacity, planning, management plans, budget and resources, and staff capacity. The METT comprises 42 indicators, from which a maximum score of 99 is derived. This indicator measures the PAs in hectares, for which management has been improved. PA management is considered to be improved when there is an increase compared to a PA's baseline METT score, and</p>	<p>Years 0, 3, and 5</p>	<p>Management effectiveness tracking tool (METT) survey. Baseline METT scores for AENP is 67 and GFRNR is 77. Targets at the end of year 5 are AENP 73 and GFRNR 80, respectively.</p>	<p>METT survey to be undertaken by Protected Areas (PA) staff of SanParks (of DEFF) and EPTCA for each PA. The METT survey template is included in the METT handbook, and will be finalized by the PAs. The PAs staff will coordinate with directors of the different Protected Areas and other relevant stakeholders to complete the survey, and will be responsible for data analysis and reporting. The first METT survey will be conducted at the start of the project to determine the baseline, and subsequent surveys undertaken annually.</p>	<p>SanParks, EPTCA M&amp;E staff.</p>
---------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------

Great Fish River Nature Reserve	Same as indicator.				
Addo Elephant National Park	Same as indicator.				

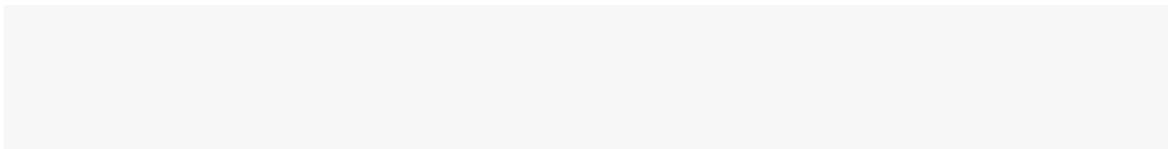
<p>Beneficiaries of project interventions</p>	<p>The baseline number of beneficiaries comprise of the staff currently employed on a permanent basis. Other beneficiaries currently include project staff on the following programs: Working for water, Working on Fire, Working on ecosystems and Environmental monitors (All funded by Department of Environment, Fisheries and Forestry but implemented by SANParks). SANParks further employs temporary staff that works on an ad hoc basis. The Department of Tourism also fund 2 teams that fulfil maintenance functions. Through the project SANParks will appoint staff as per budget in the following categories: Rangers, Monitors, Gate guards, JOC staff and a project manager. Furthermore there will be employment opportunities during construction phase of new infrastructure as well as maintaining current infrastructure.</p>	<p>Years 1 ? 5</p>	<p>Human capital payroll, Data from service providers</p>	<p>Collect and report data from human resources payroll and service providers.</p>	<p>SANParks and ECPTA staff and project managers</p>
-----------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------	-----------------------------------------------------------	------------------------------------------------------------------------------------	------------------------------------------------------

<p>Gender Equity in Conservation Services (female/%)</p>	<p>This indicator will capture increases in female representation within the conservation services staff of both parks.</p>	<p>Annual</p>	<p>Human resources reports with breakdown of data on female staff with the roles under conservation services (to include Conservation Manager, Section Ranger, Field Rangers, Gate Guards, Intern and Scientific Support).</p>	<p>Collect human resource reports and calculate total female as percentage of total conservation services staff.</p>	<p>SanParks, EPTCA M&amp;E staff.????</p>
<p>Great Fish River Nature Reserve</p>	<p>Same as indicator.</p>				
<p>Addo Elephant National Park</p>	<p>Same as indicator.</p>				

<p>Rhino mortality rate (3-year average &lt; 4%)</p>	<p>About half of AENP's 90 000 hectares consists of dense thicket vegetation, making carcass detection extremely difficult. Historically it was difficult to confirm the deaths of undetected individuals, but through the RIB investment readiness phase two rhino monitors have been appointed. Ideally, increased knowledge about rhino home ranges and keeping track of undetected individuals will aid in easier detection of mortalities. Through savings, in the investment readiness phase, some spotted hyena has been GPS collared in Main Camp and has greatly assisted in the detection of carcasses (all species) and proves an effective tool. During the RIB investment phase, the addition of more rangers and accompanying area coverage, fixed-wing aerial coverage together with sustained monitoring would increase the detection of rhino mortalities. The park is also aiming to collar hyena in the other rhino sections to aid in carcass detection. Mortalities are logged in RhOMS, which allows for mortality rates to be calculated.</p>	<p>Annual (Years 1 ? 5)</p>	<p>Rhino Outcomes Management System (Rhino-OMS)</p>	<p>Sites use a combination of foot patrols, camera trapping and aerial monitoring to provide photo evidence of the rhino population. Each site will provide at least one piece of date-stamped evidence per observed rhino per year for the independent verification process. The data (including the evidence) is loaded onto the Rhino Outcomes Management System (Rhino-OMS), a bespoke database and front end build on AWS architecture, which provides an audit trail of data, and simultaneously allows site management to automate common management queries to rapidly inform decision making and improve rhino biological performance. Site M&amp;E team will collect data on rhino count. Both rhino sites will provide at least one piece of date stamped evidence per observed individual rhino per year</p>	<p>SanParks and ECPTA M&amp;E and scientific services staff.</p>
------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------	-----------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------

Great Fish River Nature Reserve	Same as indicator.				
Addo Elephant National Park	Same as indicator.				
Number of rangers per square kilometer	SANParks currently do employ rangers in the different sections of the park. For the benefit of the program only the sections that have rhino currently (Darlington, Nyathi, Main camp and Colchester) and those that will receive rhino during the course of the project (Kabouga) will be used. This would be calculated by the size of the area (section) and the number of rangers employed per section. This would be done for the baseline as well as during the project phase. Area coverage could be determined through the CMORE program	Annual (Years 1 ? 5)	RhOMS data base. Complemented by the Command and Control Collaborator (Cmore), a software application eco system which includes a web-based application (portal) and associated mobile applications for use in the Command and Control domain.	M&E staff collects and reports data from ROMS database.	SanParks and ECPTA rhino monitor and scientific services.  ???????
Great Fish River Nature Reserve	Same as indicator.				
Addo Elephant National Park	Same as indicator.				

ME IO Table SPACE





**ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).**

<b>RESPONSE TO GEF COUNCIL and STAP COMMENTS</b>	
GEF-7 Non-Grant Instrument - South Africa: Wildlife Conservation Bond (P174097) ? GEF-ID 10330	
<b>I. Comments by GEF Council Members (June 2020)</b>	<b>WBG Response (December 2020)</b>
<b>Japan</b>	
<p>1. We assume that non-grant instruments have been designed and programmed under assumptions of normalized financial conditions, but not under a solvency + liquidity crisis (which could develop under a persistent pandemic crisis)? We believe risk appetite and risks premiums may have changed and whether that could affect actual levels of financial participation.</p>	<p>In projects where co-financing depends on capital markets conditions (such as the Wildlife Conservation bond GEF ID 10330), GEFSEC discussed the impacts of COVID-19 with the WBG team and WBG Treasury. To ensure stable market conditions and maximum interest from institutional investors, issuance of the bond may be delayed accordingly, potentially to 2Q2021. In response to market conditions, WBG Treasury switched the bond currency from USD denominated to ZAR to generate meaningful funds for the project. The WCB includes a dual tranche offering that aims to generate the following: a. Approximately US\$40 million equivalent ZAR denominated, development impact bond (i.e., coupons fund project; GEF grant funds conservation success payment); b. Approximately US\$100 million conservation theme IBRD bond (target bond size; has no direct link to project or to GEF grant). This dual tranche structure offering would be issued as a single transaction and increase awareness among two different groups of investors - ZAR investors (including wealthy individual investors from South Africa) that take on the WCB project risks and US\$ ESG focused institutional investors, primarily in the United States and Europe.</p>

<p>2. Innovative structures require care upon launch. If launched under poor conditions, the structure may suffer from poor reputation (i.e. not prove durable) and may lose momentum. Should we take a more careful (non-rushed) approach in driving some of these innovative structures?</p>	<p>The Wildlife Conservation bond will be sensitive to changes in market conditions, as the bond's characteristics will depend on prevailing market rates and investor appetite. The team is cognizant of the risks and will avoid finalizing any issuance into an unstable market setting. Parties have committed to designing an airtight bond structure and funds flow that addresses any concerns related to use of funds, leakages, governance, and outcome payment calculations, to additionally minimize reputational risks inherent in the innovation. It is envisioned that the bond will be launched in Q1-Q2 2021 once due diligence efforts are complete and investor appetite has been confirmed.</p>
<p><b>Germany</b></p>	
<p>3. Germany approves the PIF in the work program but requests that the following comments are taken into account:</p> <p>Germany supports the idea of using innovative conservation financing approaches to achieve conservation and sustainable use of biodiversity.</p> <p>Germany requests that the following requirements are taken into account during the design of the final project proposal:</p> <p>? In order to be able to assess feasibility of this project, we would like to request that the proposal includes more information about how the envisaged bond shall be established and will work. In particular, we would like to request information on how conservation is achieved through the bond initially and throughout the project (how does the bond trigger conservation efforts and how are investors activated to invest in the bond), including indicators and specific outcomes to be achieved.</p> <p>? In addition, Germany would like to see information on how far the communities located at the borders of the two envisaged National Parks will benefit from the bond. While the proposal describes that an assessment of these communities will be done, it is not clear whether the communities will have a share in the bond and whether an empowerment of the communities will take place.</p>	<p>The project document provides additional information on the bond, including how conservation is achieved using bond proceeds (foregone coupon payments) and WBG oversight of investments. Additional information was included in the project document regarding investor incentives to purchase the bond. Indicators are explained in the results framework section of the project document which provides details on project beneficiaries, including local communities. Additional information has been included in the document to discuss benefits to local communities. The local communities will benefit directly (jobs, training, etc.) and indirectly (enhanced security, increased tourism potential and livelihood opportunities from that across value chain, and other environmental and social benefits).</p>
<p><b>UK</b></p>	

<p>4. UK approves the PIF but will request to review it prior to CEO endorsement</p> <p>Comment: This is the Species Conservation Bond project. This has been developed with support from the IWT Challenge Fund. The UK is looking closely at this project. Please include references to the support of the IWT Challenge Fund in the final document package</p>	<p>Thank you for the support. Reference was added to specify it was the UK DEFRA IWT Challenge Fund that supported the development phase of the project.</p>
<b>US</b>	

5. This innovative project merits support and can ideally become a proof of concept demonstration. In subsequent or related proposal drafts we would like greater clarity on the reward structure for communities adjacent to conservation areas. It appears that communities will be rewarded if black rhino populations grow over the five-year period, however the mechanism for this is not developed. Will they be the bond holders? Will private and philanthropic entities buy the bonds on their behalf?

The gender elements seem relatively under-developed.

? Is the funding generated by this mechanism specifically dedicated to black rhino conservation or rather to overall park management? Especially if the latter, are there any concerns that determining financial returns based on the performance of a single (albeit important) species might lead to tradeoffs in park management decisions or allocation of effort that negatively impact other species?

6. ? Are rhinos in these parks censused or sampled? If the latter, are there any concerns about incentivizing overestimates of rhino populations?

See answer to #3 above.

The funding provided by the WCB will help enhance overall protected area management effectiveness which should benefit management of the park and other species. Although funds will support rhino conservation, investments will strengthen the two agencies? (SAN Parks and ECPTA) overall conservation management capacity and promote investments in the conservation areas and tourism which have broader benefits. The amount of funding generated from the bonds for this project is significantly more than what the agencies have to run all their operations under normal conditions so the funds will provide a significant infusion of resources.

Rhinos will be monitored according to the following standards:

- A. Sites must be able to provide a population estimate with confidence intervals
- B. Sites must provide evidence of each observed rhino at launch of the WCB and once per annum the investment phase
- C. The baseline number of rhinos in each site must be audited and adjudged to be accurate within a confidence interval by the Independent Verifier

A Rhino Outcomes Management System (Rhino-OMS) will be used by the site to submit approved data and evidence files to the WCB for independent verification and to inform the Conservation Success Payment. Data and evidence gathered from the field will be submitted to a secure online data management system, the Rhino-OMS, which provides an audit trail on all data, estimates population abundance to inform growth rates which are used to guide the Conservation Success Payment, and provides analysis of population indicators to inform management decision making. The site level monitoring is a continuous process, while the independent evaluation observation date for abundance estimation is a single calendar year. The rhino estimate will be reported annually (at years 0, 1, 2, 3, 4, 5). For each independent evaluation observation date, sites must provide

II. Comments from STAP	WB Response
<p><b>Overall:</b> STAP welcomes this extremely well-planned and articulated project to trial an innovative financial instrument to generate private sector financing for conservation. This project involves a very large GEF allocation of nearly \$14million, dependent on conservation success. Such an allocation for one species may be questioned. However, if the initiative is unsuccessful, the risk will be borne by private sectors investors rather than GEF. The project builds on extensive prior work. Its theory of change (TOC) is exceptionally clear.</p> <p>Areas that could be strengthened include the following: 1) identifying critical assumptions that underpin success within each TOC; 2) carrying out climate risk screening (see STAP guidance on climate risk screening; 3) increasing the ability to detect whether community engagement/livelihood measures are working through more regular information-gathering (see, for example, the Social Assessment for Protected and Conserved Areas (SAPA) Methodology); and 4) clarifying and strengthening the role of and mechanisms for boosting socio-economic contributions to local rural communities.</p> <p>Overall, STAP is pleased to see this highly innovative and experimental trial of a new financing approach for conservation.</p>	<p>Thank you for your support. A paragraph with critical assumptions was added to Annex 3 of the PAD/Annex 1 of the PID. Additional information on climate risks was added (see paragraph 75 of the PID). Additional information was added on community engagement and contributions to local communities in various sections of the document.</p>

<p><b>1. Project description: Problem statement.</b> The problem statement is well-written and generally well-referenced. However, the picture it paints of the trajectory of rhino populations is somewhat misleading ? characterized by ongoing decline. In fact black rhino populations are thought to have been steadily increasing for approaching a decade (<a href="https://www.iucn.org/news/species/202003/conservation-efforts-bring-cautious-hope-africanrhinos-iucn-red-list">https://www.iucn.org/news/species/202003/conservation-efforts-bring-cautious-hope-africanrhinos-iucn-red-list</a>), albeit Covid may be changing these dynamics. Note that the population figs provided for SA on p6 are not informative unless contrasted with previous population figures, which are not given. Notwithstanding this, the point that they are seriously threatened by poaching remains entirely valid.</p> <p>It is rather dubious whether ?The socio-economic loss from rhino poaching is not incurred by any one individual or organisation but rather the loss is disproportionately distributed to rural communities at the base of the pyramid,? given that benefits from tourism flowing to rural communities are still generally very minor. Is there any evidence for this statement?</p> <p>Reference is made to white rhino increases due to conservation effort ? to paint an accurate picture, again, it is worth mentioning that much of this growth has been driven not by enforcement (though that is always important) but by using incentive-based approaches relying on live sales, tourism and trophy hunting.</p> <p>Given that the project involves a new investment vehicle as its primary content, it would be good to see more detailed analysis of the deficits and problems associated with current financing models, with some evidence presented to support the contention that the short term/output focused financing model is underlying conservation underperformance. I strongly suspect this is justified, but there is work in this area that could be helpfully cited.</p>	<p>Additional information on Africa?s PAs funding challenges was added (see paragraph #10 of the PAD and PID).</p>
<p><b>Barriers and threats:</b> Barriers are not particularly clear, but threats are reasonably well described in general terms, although more information on the threats at the target sites would be welcome.</p>	<p>Barriers were added to Annex 3 of the PAD/Annex 1 of the PID.</p>
<p><b>Theory of Change:</b> A clear overall TOC is presented, along with subsidiary TOCs for each key theme. They remain fairly high-level and simple but are clear and logical. This is a very welcome layout of the TOC and considerably adds to clarifying the logical structure of the project. Separating out aspects like policy interventions into the enabling environment is a useful way to simplify the TOC while making the importance of such interventions to overall project success clear. The TOC is rather unclear as concerns local community engagement ? one outcome is more supportive neighbors, but what are the interventions within enabling conditions intended to achieve? The link to land security is unclear.</p>	<p>Additional information on community engagement and benefits was added throughout the document.</p>

**Activities, outputs and outcomes:** These are very clear, laid out in admirably succinct language in the various TOCs. Re component 1a/b, repeating SAPA only in Year 1 and Year 5 seems inadequate ? this gives the project no time to change/react if their interventions are not having the desired impact for community outcomes. It makes adaptive management of this component impossible, as by the time the project learns that this element is not working (should that be the case) the project has ended. Given the importance of community benefits, STAP recommends carrying out some level of information-gathering on the impacts of the intervention on communities much more regularly ? annually or at least every two years.

Re component 1b, does this mean rhino populations in Fish River are already at carrying capacity, and the intervention is aimed at growing the population in order to move it out into other reserves? How will be they secured in these other reserves, and is the success payment based on their success across all these reserves?

Re the Economic Analysis, it is really unclear how the project aims to benefit local communities. Is this all to be developed through the SAPA Action Plan? Just hoping that local jobs will be increased due to possible tourism increases seems very weak. In the economic analysis here, much is made of the general importance of tourism to SA without any information on how much tourism currently contributes to incomes of local rural communities. How much do the parks currently contribute to local community livelihoods, and what is the intended outcome contribution of this project? If a quantitative outcome is impossible, at least a qualitative one would be helpful. Monitoring indicates number of co-beneficiaries will be tracked, but how are the benefits generated and how do these benefits contribute to the project objective?

Efforts related to community engagement are specified in the various ESF documents.

The Rhino Population Growth Rate equals the net compound annual growth rate (net-CAGR) for the WCB Rhino Population, cacluated as follows:

Where:

??5 is Abundance estimate at the end of the 5-year investment

??0 is the beginning Abundance estimate

is the total Introductions during investment

**is the total Removals during investment**

?Abundance? is the rhino population estimated at a specific time period

?Introductions? are rhinos translocated to the Parks

?Removals? are rhinos translocated away from the Parks

Community involvement and benefit sharing is an important consideration in the theory of change for the project. Half of GFRNR is owned by the local community, with a revenue sharing scheme in place. The community as co-owners/co-managers of the reserve will benefit directly from the project, including from direct and indirect jobs. For AENP, the community will benefit from not only the direct/indirect jobs but also from R2.6M in project investments for the specific community interventions and also benefits to community members that participate in the Working for water, Working on Fire, Working on ecosystems and Environmental monitors programs. Permanent

<p><b>Mechanisms of change and underlying assumptions:</b> The mechanisms of change are plausible. Underlying assumptions are not clearly identified, and the project would be strengthened by addressing these. Each step in each TOC may be underpinned by assumptions and these good outline TOCs would allow critical ones to be articulated (and monitored).</p>	<p>Assumptions were added to Annex 3.</p>
<p><b>Recognition of what adaptations may be required during project implementation to respond to changing conditions in pursuit of the targeted outcomes:</b> No, this is not particularly clearly articulated and could be strengthened.</p>	<p>Site managers will update/revise workplans and budget allocations across categories to meet needs on an ongoing basis and will review and adapt as needed during implementation.</p>
<p><b>Is the scale of projected benefits both plausible and compelling in relation to the proposed investment?</b> The only concern here is whether a single species justifies a GEF investment of up to almost \$14m. This is payment for achieved conservation success, 7 rather than the possibility of it, yet it remains a very large sum to be channelled to one species.</p>	<p>The benefit goes beyond the single species or direct beneficiaries. Aim is to create a financial instrument that can be tested in the market and tap into private finance/institutional investment capital. If successful, this type of instrument can be used to help fill the over US\$600 billion annual biodiversity financing gap. Without GEF funding as an outcome payer, this trade is not feasible. If project is not successful and no Conservation Success Payment is made, GEF will receive funds back.</p>
<p><b>Are indicators, or methodologies, provided to demonstrate how the global environmental benefits/adaptation benefits will be measured and monitored during project implementation?</b> Yes, outstandingly clear (apart from the question of rhinos moved out of Fish River, which is hard to understand).</p>	<p>Thank you.</p>
<p><b>What activities will be implemented to increase the project's resilience to climate change?</b> No measures are specified.</p>	<p>Additional language included in the document as previously stated.</p>
<p><b>Risks:</b> There does appear to be any climate risk screening ? STAP recommends this is carried out at an early stage of project development.</p>	<p>Additional language included in the document as previously stated.</p>

**ANNEX C: Status of Utilization of Project Preparation Grant (PPG).  
(Provide detailed funding amount of the PPG activities financing status  
in the table below:**

**ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant  
instrument is used)**

**Provide a calendar of expected reflows to the GEF/LDCF/SCCF/CBIT Trust Funds or to your Agency (and/or revolving fund that will be set up)**

No reflows expected.

**ANNEX E: Project Map(s) and Coordinates**

**Please attach the geographical location of the project area, if possible.**

See section 1a.

**ANNEX F: Project Budget Table**

**Please attach a project budget table.**

Appendix A: Indicative Project Budget Template  
- Wildlife Conservation Bond

Expenditure Category	Detailed Description	Component (USDeq.)				Sub-Total	M&PM (E C)		Total (USDeq.)	Responsible Entity  (Executing Entity receiving funds from the GEF Agency)[1]
		Component 1: Improved rhino conservation management at project sites	Component 2: National/Regional Enabling Conditions to coordinate shared security and research opportunities	Component 3: Project management and monitoring	Component 4: Bond issuance supported by conservation success payment		E	C		
	Outcome 1: Critically endangered black rhino population in target sites increased	Outcome 2: Improved enabling conditions for rhino population growth	Outcome 3: Monitoring standards achieved	Outcome 4: New instrument for conservation finance demonstrated						

Works  
Goods  
Vehicles  
Grants/  
Sub-  
grants  
Revolvin  
g funds/  
Seed  
funds /  
Equity  
Sub-  
contract  
to  
executin  
g  
partner/  
entity  
Contract  
ual  
Services  
?  
Individua  
l  
Contract  
ual  
Services  
?  
Compan  
y  
Internati  
onal  
Consulta  
nts  
Local  
Consulta  
nts  
Salary  
and  
benefits /  
Staff  
costs

Trainings  
,  
Workshops,  
Meetings  
Travel  
Office  
Supplies

Conservation  
success  
payment  
to be paid  
upon  
project  
close  
based  
upon  
independently-  
verified  
rhino  
growth  
rate up to  
max.  
\$13,761,468 (actual  
payment  
may be  
lower, or  
zero,  
depending  
on rhino  
growth  
rate)

Other

up to \$13,761,468      up to \$13,761,468

up to \$13,761,468      Bondholders

Grand  
Total