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Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale

Brief description

South Africa has exceptional biodiversity of global significance. Since 1994 it has made major strides in protecting that biodiversity. However, it still experiences very high rates of biodiversity loss due to development pressure and habitat degradation: according to the National Biodiversity Assessment (2012) 24% of coastal, 40% of terrestrial, 43% of estuarine, 57% of riverine and 65% of wetland ecosystems are threatened. Furthermore, South Africa has persistently high levels of poverty and unemployment. The unemployment rate was reported at 25.2% in the first quarter of 2012[1], while the number of people living in poverty is nearly 40%.

Municipalities play an important role as centers of economic growth and service delivery; they regulate land use at local scale, and are also important users and managers of biodiversity and ecosystem services. However, Municipalities are often faced with many burgeoning and often conflicting tasks, with poverty alleviation, local economic development and service provision justifiably occupying top priority on most local council agendas. Awareness amongst decision makers of the positive links between improved biodiversity management, human well-being and sustainable development is often low, as are levels of capacity for meaningful incorporation of biodiversity priorities into integrated development planning and land-use management. Since less than 7% of land in South Africa is formally protected, critical biodiversity is under threat from degradation and transformation. There is thus a need to strike a balance between development and job creation, and conservation and sustainable use of biodiversity.

This project is designed to address these challenges by (a) strengthening cooperation, coordination and capacity of municipal and other regulatory authorities that regulate land use decisions to incorporate

[1] http://www.tradingeconomics.com/south-africa/unemployment-rate

criteria to avoid/ prevent, minimize and/or offset impacts on biodiversity, and improve compliance monitoring and enforcement, and (b) introducing mechanisms in collaboration with private and communal land owners to better protect critical biodiversity areas and manage land, while demonstrating the potential of biodiversity to create jobs and contribute to economic growth.

The project will work in four district municipalities in global biodiversity hotspots and national biodiversity priority areas, with very high rates of habitat degradation and conversion, high levels of poverty, and other pressing needs for action: **Amathole, uMgungundlovu** and **Ehlanzeni District Municipalities** are located in the ***Maputaland-Pondoland-Albany*** hotspot; and the **Cape Winelands District Municipality** is located between the ***Succulent Karoo*** and the ***Cape Floristic Region*** hotspots.

UNDAF Outcomes: Outcome 10: Environmental assets and natural resources that is well-protected and continually enhanced.
UNDP Strategic Plan Environment and Sustainable Development Primary Outcome: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.
Implementing Partner: South Africa National Biodiversity Institute (SANBI)
Additional partners: Department of Environmental Affairs, Mpumalanga Department of Economic Development, Environment and Tourism, Western Cape Department of Environmental Affairs and Development Planning, Mpumalanga Tourism and Parks Agency, Eastern Cape Parks and Tourism Agency, Ezemvelo KwaZulu Natal Wilidlife, Ehlanzeni District Municipality, uMgungundlovu District Municipality, Drakenstein District Municipality, NCT Forestry Cooperative Ltd and World Wildlife Fund-South Africa

Programme Period:**2013-2017**	Total allocated resources	**58 831 346**
	GEF	8 177 730
Atlas Ward ID:		
Project ID	**Other**	
	UNDP	1 000 000
PIMS # **4719**	Western Cape Department of Environmental Affairs and Development Planning	1 327 014
Start date: **2014**	Forestry SA	2 559 242
End date:**2019**	World Wildlife Fund-South Africa	1 421 801
	uMgungundlovu District Municipality	428 486
Management arrangements: NEX	Ehlanzeni District Municipality	4 936 019
PAC meeting date	NCT Forestry Cooperative Ltd	1 409 953
	Eastern Cape Parks and Tourism Agency	1 770 000
	ICLEI	47 393
	Mpumalanga Tourism and Parks Agency	383 692
	Ezemvelo KwaZulu Natal Wildlife	1 516 588
	Department of Environment Affairs: Natural Resource Management	11 739 108
	SAPPI Forests	3 365 505
	South Africa National Biodiversity Institute (SANBI)	18 748 815
	Total Co-Finance	**50 653 616**

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Acronyms

ABI	Agulhas Biodiversity Initiative
ADM	Amathole District Municipality
APR	Annual Project Review
ASGISA	Accelerated and Shared Growth Initiative of South Africa
BGIS	SANBI's web based Biodiversity GIS Tool
BMP-S	Biodiversity Management Plan for Species
BMP-E	Biodiversity Management Plan for Ecosystems
BOCMA	Breede Overberg Catchment Management Agency
BTOR	Back to Office Report
BWI	Biodiversity and Wine Initiative
CAPE	Cape Action for People and the Environment
CARA	Conservation of Agricultural Resources Act
CASP	Comprehensive Agriculture Support Programme
CBA	Critical Biodiversity Area
CBD	Convention on Biological Diversity
CBO	Community Based Organization
CCA	Critical Conservation Area
CITES	Convention on International Trade in Endangered Species
CO	Country Office
COGTA	Cooperative Government and Traditional Affairs
CSA	Conservation South Africa
CSIR	Council for Scientific and Industrial Research
CWDM	Cape Winelands District Municipality
DAEA	Kwa Zulu Natal Department of Agriculture and Environmental Affairs
DAFF	Department of Agriculture, Forestry and Fisheries
DALA	Eastern Cape Department of Agriculture and Land Affairs
DEA	National Department of Environmental Affairs
DEA&DP	Western Cape Department of Environmental Affairs and Development Planning
DEDEA	Eastern Cape Department of Economic Development and Environment Affairs
DEDET	Mpumalanga Department of Economic Development, Environment and Tourism
DoA	Department of Agriculture
DRLDR	Department of Rural Development and Land Reform
DUCT	Duzi uMngeni Conservation Trust
DWA	Department of Water Affairs
EAPs	Environmental and Planning Professionals
ECIC	Eastern Cape Implementation Committee
ECPTA	Eastern Cape Parks and Tourism Agency
EDM	Ehlanzeni District Municipality
EIA	Environmental Impact Assessment
EKZNW	Ezemvelo Kwa Zulu Natal Wildlife
EMF	Environmental Management Framework
EPWP	Expanded Public Works Programme
ERC	Evaluation Resource Center
ESCO	Energy Service Companies
FEPA	Freshwater Ecosystem Priority Area
FSC	Forest Stewardship Council

GDP	Gross Domestic Product
GEF	Global Environment Facility
GIS	Geographical Information System
GTAC	Government Technical Advisory Centre
ICLEI	International Council for Local Environmental Initiatives
IDP	Integrated Development Plan
K2C	Kruger to Canyons
KZN	Kwa Zulu Natal
LAB	Local Action for Biodiversity (ICLEI)
LIMA	Rural Development Foundation
LUMS	Land Use Management System
M&E	Monitoring and Evaluation
MAFISA	Micro Agricultural Financial Institutions of South Africa (MAFISA)
MEC	Member of the Executive Council
MIG	Municipal Infrastructure Grant
MISA	Municipal Infrastructure Support Agent
MPRDA	Mineral and Petroleum Resources Development Act
MPTA	Mpumalanga Parks and Tourism Agency
MSC	Marine Stewardship Council
MTU	Mainstreaming Technical Unit
NBA	National Biodiversity Assessment
NBF	National Biodiversity Framework
NBSAP	National Biodiversity Strategy and Action Plan
NCT	NCT Forestry Cooperative Ltd
NEMA	National Environmental Management Act
NEMBA	National Environmental Management Biodiversity Act
NEMPAA	National Environmental Management Protected Areas Act
NFA	National Forests Act
NFEPA	National Freshwater Ecosystem Priority Areas
NGO	Non-Government Organization
NGP	New Growth Path
NPAES	National Protected Area Expansion Strategy
NRM	Natural Resources Management
NSDP	National Spatial Development Plan
NSSD	National Strategy for Sustainable Development
NWA	National Water Act
OECD	Organisation for Economic Cooperation and Development
PA	Protected Area
PGDPs	Provincial Growth and Development Plans
PGDS	Provincial Growth and Development Strategy
PICC	Presidential Infrastructure Coordinating Commission
PIF	Project Identification Form
PIMS	Project Information Management System
PIR	Project Implementation Reports
PPG	Project Preparation Grant
PMU	Project Management Unit
PPR	Project Progress Report
PSC	Project Steering Committee
RC	Resident Coordinator

RDI	research, development and innovation
REDI	Rural Economic Development Initiative
SALGA	South African Local Governments Association
SANBI	South African National Biodiversity Institute
SANParks	South African National Parks
SAPPI	South African Pulp and Paper Industries
SDF	Strategic Development Framework
SEA	Strategic Environmental Assessment
SEMP	Strategic Environmental Management Plan
SIP	Strategic Integrated Project
SIZA	Sustainability Initiative South Africa
SKEP	Succulent Karoo Ecosystem Programme
SMA	Special Management Area
SMME	Small, Medium and Micro Enterprises
SPLUMA	Spatial Planning and Land Use Management Act
STEP	Subtropical Thicket Ecosystem Planning
TAU	Technical Assistance Unit of Treasury
TEEB	The Economics of Ecosystems and Biodiversity
ToR	Terms of Reference
UDM	uMgungundlovu District Municipality
UNDP	United Nations Development Programme
UNDP CO	UNDP Country Office
UNDP RCU	UNDP/GEF Regional Coordination Unit
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
WUL	Water Use License
WWF- SA	World Wildlife Fund South Africa

SECTION I: Elaboration of the Narrative

PART I: Situation Analysis

INTRODUCTION

1. Since 1994 South Africa has made major strides in protecting its biodiversity having instituted extensive policy reforms and created new institutions at national and provincial levels to manage biodiversity. This transformation has occurred with the assistance of the Global Environment Facility (GEF) and other partners, and has resulted in improved capacities to manage biodiversity at the National and Provincial levels.[2] South Africa is, however, still experiencing very high rates of biodiversity loss. The recently completed National Biodiversity Assessment 2011 found that: approximately 20% of natural habitat has been irreversibly lost; 24% of coastal ecosystems, 40% of terrestrial ecosystems, 43% of estuarine ecosystems, 57% of riverine ecosystems and 65% of wetland ecosystems are threatened (of which 48% are Critically Endangered).

2. Furthermore, South Africa has persistently high levels of poverty and unemployment. The unemployment rate was last reported at 25.2 percent in the first quarter of 2012[3], while the number of people living in poverty is nearly 40%. The Government launched a *New Growth Path* to tackle these problems and has set an ambitious target to create 5 million jobs by 2020. Some of the job drivers identified by Government include substantial investment in infrastructure both to create employment directly in construction, operation, maintenance and production of inputs (estimated at 250,000 jobs a year by 2015); targeting more labour-absorbing activities across the main economic sectors – such as agriculture and mining value chains, manufacturing and services (485,000 jobs by 2030); and taking advantage of new opportunities in the knowledge and green economies (300,000 by 2020).

3. Municipalities play an important role as centers of economic growth and service delivery, and are therefore seen as key to implementation of the New Growth Path. A $US 62 billion infrastructure upgrade is underway to rehabilitate municipal township infrastructure nationwide. Moreover, municipalities are important users and managers of biodiversity, and have an increasingly important role to play as managers of the ecosystems of the country: key policies guiding social and economic development in the country (e.g. ASGISA, the NSDP and PGDPs) have environmental sustainability as a key underlying principle; environmental management and biodiversity conservation are

[2] The innovative management tools that have been developed to conserve biodiversity are documented in the primer: Cadman, M., Petersen, C., Driver, A., Sekhran, N., Maze, K. & Munzhedzi, S. 2010. *Biodiversity for Development: South Africa's landscape approach to conserving biodiversity and promoting ecosystem resilience*. South African National Biodiversity Institute, Pretoria.
[3] http://www.tradingeconomics.com/south-africa/unemployment-rate

recognized as public goods; and sound management of ecosystems may promote resilience, reduce risks of natural disasters, and help adapt to climate change. Coordinating and supporting the capacity of municipalities to deliver is key to successful realization of the New Growth Path.

4. Municipalities are thus faced with many burgeoning and often conflicting tasks, with poverty alleviation, local economic development and service provision justifiably occupying top priority on most local council agendas. Awareness amongst political decision makers of the positive links between improved biodiversity management, human well-being and sustainable development is often low, as are levels of capacity for meaningful incorporation of biodiversity priorities into integrated development planning and land-use management. Legal mandates in respect of the environment generally, and biodiversity in particular, are often unclear to local governments. Coordination between the large number of national and provincial authorities and public entities which regulate land use and influence decision making within the municipal space is also poor. Given that less than 7% of land in South Africa is formally protected, critical biodiversity remains under significant threat from degradation and conversion pressure.

5. Although there are a number of important initiatives that have been instituted to address some aspects of these issues, achieving wise and informed management of biodiversity and ecosystems, in support of sustainable development, remains a challenge that requires a co-ordinated and comprehensive response. This coordination is provided by SANBI's National Municipal Biodiversity Programme which aims to build capacity of municipalities to include biodiversity opportunities and constraints in their planning and operations; establish pilot projects to explore mechanisms for integrated natural resource management at the district level; and develop an integrated programme for ecosystem adaptation to climate change & disaster risk. Through this programme SANBI is engaging with district Municipal Managers and other decision-making platforms to incentivise the uptake of biodiversity considerations into municipal planning and decision-making, with an emphasis on strengthening biodiversity content in Integrated Development Plans (IDPs) and Spatial Development Frameworks (SDFs). SANBI is also in the process of developing material which demonstrates how biodiversity can contribute towards service delivery at a municipal scale.

6. This project is designed to support the National Municipal Biodiversity Programme and address these challenges by (a) strengthening coordination and capacity of municipal and other regulatory authorities that regulate land use decisions within municipalities to incorporate criteria to avoid/ prevent, minimize and/ or offset impacts on globally important biodiversity, and improve compliance monitoring and enforcement, and (b) introducing mechanisms in collaboration with private and communal land owners to better protect critical biodiversity areas and manage land, while demonstrating the potential of biodiversity to create jobs and contribute to economic growth.

7. The project will work in four district municipalities in global biodiversity hotspots and national biodiversity priority areas, with very high rates of habitat degradation and

conversion, and other pressing needs for action. The **Amathole, uMgungundlovu** and **Ehlanzeni** district municipalities are located in the ***Maputaland-Pondoland-Albany*** hotspot, and the **Cape Winelands** district municipality is located between the ***Succulent Karoo*** and the ***Cape Floristic Region*** hotspots. These municipalities are where former *Bantustans* (Ehlanzeni, Amathole, uMgungundlovu) and Apartheid era forced removals (Cape Winelands) left millions of impoverished people. In all three Districts, the main land use is agricultural. While most of the land is privately or communally owned, there is no community based natural resource management framework in place. This, combined with weak regulation and enforcement, means that critical biodiversity is gradually being transformed into crop agriculture or settlements, resulting in degradation and the extirpation of endemic species. The overlap between areas of high biodiversity and high rural poverty is potentially catastrophic for both biodiversity housed within those ecosystems and the people dependent on the goods and services this biodiversity provides. However, this overlap also presents South Africa with a unique opportunity to harness the human and natural capital concentrated in poor rural areas towards biodiversity based green economic activities that can generate income for the rural poor while preserving the integrity of our most productive ecosystems.

CONTEXT AND GLOBAL SIGNIFICANCE

Global and national biodiversity context

8. South Africa is recognized as one of the world's 17 megadiverse countries due to its high plant species diversity and endemism. With only 2% of the planet's land area, the country is home to 6% of the world's plant and mammal species, 8% of bird species and 5% of reptile species, many of which are found only in South Africa. With nine biomes ranging from Desert to Grassland to Forest, South Africa has a huge range of habitats, ecosystems and landscapes. It contains three globally recognised biodiversity hotspots namely The Cape Floristic Region which falls entirely within its boundaries, the Succulent Karoo, shared with Namibia; and the Maputaland-Pondoland-Albany hotspot, shared with Mozambique and Swaziland. Ecological history, precipitation patterns, and altitudinal variation aspects contribute to high alpha, beta and gamma diversity.

9. There are eight major terrestrial biomes each with a distinct set of animal and plant life. The Fynbos Biome has the highest number of vegetation types, while the Fynbos, Grassland and Forest biomes have high numbers of ecosystem types as well as the highest proportion of threatened ecosystems. Forty percent of terrestrial ecosystems are threatened. Although some biomes are relatively well protected (e.g. Forest, Desert and Fynbos), protection levels of different ecosystems within those biomes may be significantly different; e.g., within Fynbos, mountain fynbos is well protected but lowland fynbos is poorly protected). Rates of loss of natural habitat are high in some part of the country, for example, in Gauteng, KwaZulu-Natal and North West Province, if current rates of loss were to continue, there would be almost no natural habitat left outside protected areas by 2050[4]. Contributing to these losses, the total area infested by

[4] SANBI 2011. National Biodiversity Assessment. Synthesis Report.

invasive alien plants in South Africa doubled between the mid-1990s and 2007; an estimated R6.5 billion of ecosystem services are lost every year as a result. The remaining natural areas in threatened terrestrial ecosystems make up 9.5% of the country, with Critically Endangered and Endangered ecosystems together accounting for 2.7% and vulnerable ecosystems a further 6.8%.[5]

10. The Fynbos Biome is the smallest of the world's six floral kingdoms. It covers nearly 90 000 km^2, stretching from the Cederberg in the north of the Western Cape to the Nelson Mandela Metropole in the Eastern Cape, in the area between the mountains and the sea. With its Mediterranean climate and the poor soils, this relatively tiny area supports 9 600-recorded plant species, 70% of them found nowhere else on the planet. Goods and services resulting from the biodiversity of the Fynbos biome are valued to be R10 billion per year. 20% of the biome is formally protected, and the biome has the highest number of critically endangered taxa in South Africa.

11. Extending from the southwest through the northwestern areas of South Africa into southern Namibia, the Succulent Karoo biome covers almost 84000 km^2. The biome is home to over 6000 plant species, of which 40% are endemic. Succulents make up 29 percent of all plant species, and the region supports the richest succulent flora on earth. In addition to the rich plant life, this area is also a centre of diversity for reptiles and various invertebrate groups, and supports a variety of mammals and many of South Africa's endemic birds. 6.4 % of the region is formally protected.

12. The Savannah Biome is the largest Biome in southern Africa, occupying 33% of its area, and over one-third the area of South Africa. It is characterized by a grassy ground layer and a distinct upper layer of woody plants. Lack of sufficient rainfall, coupled with fires and grazing, prevents the upper layer from dominating, and keeps the grass layer dominant. Almost all species are adapted to survive fires, usually with less than 10% of plants, both in the grass and tree layer, killed by fire. Less than 10% of the savannah vegetation types are protected in reserves, however, most of them are used for grazing, mainly by cattle or game-farming and can thus be considered effectively preserved, provided that sustainable stocking levels are maintained.

13. The Grasslands biome is the second largest biome in South Africa, occupying 29% of the country's land territory. The biome is a repository of globally significant biodiversity, constituting, in particular, a rich storehouse of floristic, avian and invertebrate diversity. However, in common with other temperate grasslands across the globe South Africa's grasslands are critically threatened. 30% of the area has already been irreversibly transformed by anthropogenic activities and only 2.0% is formally conserved in protected areas. Most of the grasslands habitat presently lies in production landscapes allocated to livestock production, agriculture (cereals, some food crops and cash crops such as sugarcane), and afforestation with fast growing exotic tree species.

[5] National List of Ecosystems that are Threatened and in Need of Protection. Government Notice No 1002. December 2011: Schedule of Threatened Terrestrial Ecosystems.

14. The Albany Thicket biome is home to over 1550 plant species. 20% of these are endemic species, many of which are locally rare, occurring along the ecotones shared with two internationally recognised biodiversity 'hotspots'; the Succulent Karoo biome and the Cape Floristic Region (CFR). The biome falls within the Albany Centre of Endemism and the Maputaland-Pondoland 'hotspot'. Land use is dominated by pastoralism and game ranching is growing rapidly throughout the region, as farmers convert from small stock farming to mixed farming. Tourism, especially eco-tourism, is also rapidly on the increase. Along the major rivers, irrigated cropping for vegetable, citrus, pineapples and chicory occurs. The rate and extent of degradation in the biome is high. Rural poverty and unemployment are widespread, as are social problems. Improvement of livelihoods is a critical need across almost the entire region.

15. The 7% of terrestrial biodiversity that is under formal protection is not representative of species and habitat diversity across the biomes, which means that effective biodiversity management outside protected areas is crucial to maintaining the ecological integrity of South Africa's biomes and ensuring that this vast wealth of biodiversity assets continues to provide a foundation for economic growth and social development. This requires a landscape approach to biodiversity conservation working both within and beyond the boundaries of protected areas, to manage a mosaic of land and resource uses through protection, restoration and mainstreaming biodiversity management into production and sustainable use, in order to deliver ecological, economic and social benefits.

16. With regard to the value of biodiversity, the direct use of forest resources (from forests and savannah) consumed is worth at least R8 billion per year, a value that is comparable to competing land uses. Between 9 and 12 million people use fuel wood, wild fruits and wooden utensils obtained from forests and savannas. South Africa has over 2 000 medicinal plant species, of which 656 species are traded in medicinal markets. Of these traded species, 54 are threatened. Trade in traditional medicine was estimated at R2.9 billion per year in 2007, with at least 133 000 people – mainly rural women – being employed in the trade.[6]

District Municipalities' biodiversity context

17. South Africa's National Protected Area Expansion Strategy (NPAES) was approved for implementation in March 2009 and is based on the National Spatial Biodiversity Assessment of 2004. In prioritizing areas for action the NPAES evaluates both the importance of an area and the urgency of intervention; an area is deemed important if it contributes to meeting biodiversity thresholds for terrestrial or freshwater systems and if it is key for the maintenance of ecological processes and climate change resilience. A number of these priority areas are found within the Amathole, Ehlanzeni, Cape Winelands and uMgungundlovu District Municipalities. The overlay between the global biodiversity hotspots and the four target districts is illustrated in Annex 1, Map 1. More detail on the specific biodiversity characteristics of the four target areas is provided in the section dealing with Project Site Interventions.

[6] SANBI 2011. National Biodiversity Assessment. Synthesis Report

Biodiversity mainstreaming in land use regulation and management at the municipal scale: Current status and coverage

18. Partly with the support of the GEF, South Africa has invested substantially in the development and implementation of tools for mainstreaming biodiversity into land use planning, permitting and economic development. SANBI has catalysed and continues to support the development of a suite of spatial products that identify biodiversity priority areas, include threatened ecosystems, critical biodiversity areas, ecological support areas, freshwater ecosystem priority areas and focus areas for protected area expansion. The spatial products ensure that one consistent spatial biodiversity layer is mainstreamed into all sector and multi-sectoral processes. The products are typically used to integrate biodiversity into land use planning processes at the provincial and municipal levels, but are also used to inform *inter alia* protected area expansion strategies, including stewardship programmes, business and biodiversity interventions, farm level planning and land reform processes. In many parts of the country, biodiversity sector plans – precursors to legally recognized bioregional plans – have been produced and play a key role in informing appropriate land use in municipal Spatial Development Frameworks (as part of Integrated Development Plans). An important learning of this process has been that, while maps of biodiversity priority areas, at appropriate scales, are critical starting points, if biodiversity mainstreaming is to succeed, most of the effort is needed in advocacy, partnership development, coordination and capacity development processes.

19. In addition to these spatial biodiversity tools, the following initiatives support biodiversity mainstreaming at provincial and municipal levels:

- The *'Making the Case' process:* This process, supported by SANBI and DEA, aims to reposition biodiversity as a driver of South Africa's economy and an important source for job creation. It will illustrate how investments in natural assets that provide ecosystem services can be a cost effective tool for infrastructure development. It aims to unlock R1 billion for state institutions with a natural resource mandate. This work has so far focused at national level institutions, and this project will bring it down to the municipal level.
- The objective of the *Presidential Jobs Fund* (R10 billion over five years) is to co-finance projects by public, private and non-governmental organisations that will significantly contribute to job creation. R300 million will be used to catalyse green jobs in the biodiversity sector, in a project that will be led by SANBI. This will entail training graduates to take up biodiversity management positions in support of the green economy. Many of these future jobs are envisaged to be in municipalities. This project will support this initiative by ensuring municipalities are capacitated to absorb the new graduates.
- *Business and Biodiversity Programme:* led by *WWF Sustainable Agriculture Programme, Green Choice Alliance* and other partners aims to develop biodiversity friendly farming guidelines and best practices for commodities. This project will take the approaches that have emerged into new commodities in the target districts, supporting businesses to improve biodiversity management. The guidelines

developed by this project will inform management plans and industry production standards and thresholds.

- The *National Biodiversity Stewardship programme,* led by DEA and the Provincial Conservation Agencies, identifies land of critical importance for biodiversity conservation and/or the provision of ecosystem services, and encourages private and communal landowners to engage in biodiversity conservation and other sustainable land use practices. They maintain ownership of their land, receive guidance and management assistance, and are supported to diversify their land-based activities to create sustainable livelihoods, all the while protecting the country's unique biodiversity. The programmes have been successfully established in six provinces over the last seven years and are making a significant contribution to meeting national conservation targets, at much lower cost to the state than land acquisition. This project will secure critical biodiversity within the project focal areas with the support of conservation agencies and stewardship approaches.
- The *Expanded Public Works Programme* (*Working for Water, Working for Wetlands and Working on Fire*) is aimed at providing poverty and income relief through temporary work for the unemployed to carry out socially useful activities. The work of the EPWP has tended to focus more on delivering person-hours worked, and less on the associated benefits such as biodiversity conserved. This project will support opportunities to make this programme more strategic by making the jobs more permanent and greener – and increasing the focus on quantifying and enhancing contributions to biodiversity conservation.
- As part of its *Municipal Biodiversity Programme*, SANBI is implementing a *Municipal Biodiversity Summaries Project (SANBI, DEA).* This project is in the process of developing biodiversity profiles for all local municipalities in the country, based on existing spatial biodiversity information. These serve as a basic tool for mainstreaming spatial biodiversity information into state of the environment reporting, as well as SDFs, especially in cases where municipalities do not have the fine scale biodiversity information that is needed for the production of biodiversity sector plans.
- The *Biodiversity GIS tool* (BGIS) is SANBI's Biodiversity Information Management Directorate's online 'one-stop-shop' for all spatial biodiversity information. BGIS sets national standards for spatial data and metadata formats, and all data are made freely available to the public via a web based platform. It attracts over 250 000 users per year querying and analysing maps and 700 visits per day. BGIS also provides valued added tools, such as the Land Use Decision Support Tool, which integrates with Google maps, and allows users to generate short reports on all biodiversity information relevant to particular sites. The Land Use Decision Support Tool acts as a first scoping exercise saving users time and money in doing initial environmental impact assessments.
- South Africa's *Bioregional programmes,* including the Cape Action for People and Environment (CAPE), Succulent Karoo Ecosystem Programme (SKEP), Grasslands and Eastern Cape Bioregional Programmes of South Africa, collectively have vast experience in cooperative governance and institutional strengthening, and mainstreaming biodiversity into production sectors. These programmes are operational in the target districts and will leverage the partnerships and

coordination that is required for the project. The coordination functions of all of these programmes are housed in SANBI.

- DEA's *Environment Sector Local Government Support Strategy* seeks to co-ordinate the environmental local government-support for 'maximum and measurable impact' by identifying opportunities to streamline and integrate local government initiatives in the environment sector, promote consistency in approaches with provinces and synergies between local and provincial government initiatives.
- The joint DEA, SALGA and COGTA initiative entitled *Let's Respond: Integrating Climate Change Risks and Opportunities into Municipal Planning* prioritises the mainstreaming of climate change considerations into, amongst others, Integrated Development Plans at municipal level and fiscal budgetary processes. This programme includes prioritizing the role of functioning ecosystems as core for municipal 'green infrastructure'.
- National Treasury's *Cities Support Programme* aims to help achieve sustainable human settlements through, amongst others, mainstreaming climate resilience and environmental considerations into planning and engineering services across municipal departments while supporting employment creation.
- NGOs and civil society-led *Biosphere Reserves* (Kruger to Canyons Biosphere Reserve and Cape Winelands Biosphere Reserve have been recognised by UNESCO, and a process to nominate the Amathole Mountains Biosphere Reserve is underway) spend approximately USD 1 million annually towards a programme of work in support of sustainable development and biodiversity compatible business. These are envisaged to be ideal platforms for integrated planning and decision making.
- *'SIP 19'* is a potential Strategic Integrated Project of the Presidential Infrastructure Coordinating Committee aimed at improving South Africa's water resources (quantity and quality) and other environmental goods and services through the conservation, protection, restoration, rehabilitation and/or maintenance of key 'ecological infrastructure'. It provides a framework for the integration of a number of water-related investments and interventions in priority catchments.
- The *uMngeni Ecological Infrastructure Partnership* was established in 2013 as a platform for government, civil society, academic and private sector stakeholders in the uMngeni Catchment, to promote better collaboration and coordination of ecological infrastructure investments for the development of water security in the greater uMngeni catchment.
- *ICLEI's Local Action for Biodiversity* (LAB) programme recognizes the role of local government in the sustainable management of urban biodiversity. Amongst others, the programme aims to raise the status of local government's management of urban biodiversity and actively mainstream biodiversity into all decision-making and planning processes at local levels.
- The primary role of the *Municipal Infrastructure Support Agent* (MISA) is to provide institutional and technical support to Water Services Authorities to accelerate delivery of water and sanitation services to communities, improve effective spending of their Municipal Infrastructure Grant (MIG) spending.

- CSIR *Pro-Ecoserve* (www.proecoserv.org/) is a GEF-funded umbrella project aiming at piloting the bundling and integration of ecosystem services approaches into resource management and decision making. ProEcoServ is funding the 'Investment in Ecological Infrastructure' framework, which will contribute to guiding any work on looking at financing models.
- The *Economies of Regions Learning Network* was established by the Technical Assistance Unit, a facility in the National Treasury set up to provide technical assistance through a range of process management, advisory services and knowledge management services to all government departments. The Learning Network involves those working at provincial/ city level to support economic development.
- The *Let's Respond* programme and toolkit of the South African Local Government Association (SALGA), DEA and Cooperative Governance and Traditional Affairs (COGTA) aims to provide support for local authorities in integrating climate change response into municipal development planning tools.
- SALGA and COGTA provide support for disaster risk reduction and management. Disaster risk reduction plans form an integral part of all Integrated Development Plans at municipal level and are required in terms of the Disaster Management Act 2002. However, lack of capacity hampers progress in this respect.
- SANBI, as South Africa's National Implementing Entity for the global Climate Change Adaptation Fund, is currently working on a proposal in the Greater uMngeni Catchment area under the lead of the uMgungundlovu District Municipality in KwaZulu-Natal.
- SANParks GEF 5 Protected Area Management Effectiveness Project has developed a Management Effectiveness Tracking Tool (METT) to monitor and evaluate, and ensure the long-term improvement of, management of Protected Areas. The role of buffers and the compatibility of their land use with the Protected Area goals, is important.

Institutional context

20. South Africa has three spheres of government: National, Provincial and Municipal. The spheres of government are distinctive, though inter-related and inter-dependent. The powers and functions of national, provincial and municipal government are set out in South Africa's Constitution. Some powers and functions are located to one sphere of government, while others are shared. Land use and natural resource regulation are largely national and provincial competencies, while land use planning is a provincial and municipal competency. In terms of the Constitution, laws and policies can be developed by the national, provincial or municipal sphere, for each of the functional areas allocated to that sphere. Each province develops a Provincial Growth and Development Strategy (PGDS) that spells out the overall framework and plan for developing the economy and improving services; and a provincial Spatial Development Framework that gives spatial focus to the growth and development strategy. Likewise, every municipality is required to produce an Integrated Development Plan (IDP), which integrates plans from multiple sectors over the short, medium and long term, and a Spatial Development Framework (SDF) that illustrates how the Municipality sees desirable future patterns of land use and development in its area of jurisdiction.

Policy and Legislative context

Macro policy framework

21. The macro policy framework is informed by the New Growth Path (NGP), National Development Plan Vision for 2030, National Infrastructure Plan, and the strategic delivery priorities that form Government's programme of action for the 2010/11 – 2014/15 period, and in particular Outcome 10 (Protect and enhance our environmental assets and natural resources). The National Infrastructure Plan seeks to transform the economic landscape by strengthening the delivery of basic services and responding to the challenges faced in providing infrastructure to support economic development and job creation. Based on the Presidential Infrastructure Coordinating Commission's (PICC) assessment of infrastructure gaps and spatial mapping of future population growth, projected economic growth and areas of the country which are not served with water, electricity, roads, sanitation and communication, Strategic Integrated Projects(SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces.

22. Other important policies include the National Climate Change Response White Paper (2011) and the National Strategy for Sustainable Development (NSSD). A key objective of the White Paper is to "effectively manage inevitable climate change impacts through interventions that build and sustain South Africa's social, economic and environmental resilience and emergency response capacity". It provides a number of responses to address climate change impacts and highlights the need for disaster risk reduction and management. It also provides a clear indication of the need to empower provincial and local governments to respond to climate change through the provision of incentives for adaptation and mitigation. With regard to adaptation, there is a recognised need for: increased resilience or prevention of vulnerability of infrastructure and settlements to flooding and sea level rise; effective water resources management and efficient water use; wildfire prevention and suppression; improving the health of water catchments (including specifically the conservation and rehabilitation of wetlands and the eradication of alien invasive vegetation); and, integrating these measures into disaster management processes and systems at provincial and municipal levels. The NSSD recognizes that natural resources and functioning ecosystems are the basis of life, economic activity and human well-being. To address the depletion and unsustainable use of natural resources, and the degradation of ecosystems, the NSSD sets out a number of strategic goals: managing the use of natural resources to ensure their sustainability; protecting and restoring scarce and degraded natural resources; preventing pollution of natural resources; and avoiding irreversible loss and degradation of biodiversity.

Legislative framework

23. The regulatory framework that governs land use and natural resource management is complex, highly fragmented and administered by a host of organs of state in all three spheres of government. Functional competency is allocated to national, provincial and local government organs of state in terms of the Constitution. Those national, provincial or local governments either exercise exclusive legislative competence or

concurrent competence over that area. "Environment", "agriculture", "regional planning and development" are functional areas of concurrent national and provincial competence. Local government has executive authority and has the right to administer specific matters including municipal planning; however, it may take into account matters outside of those functional areas when deciding a matter within its legislative competence. For example, when a local government considers a municipal planning matter it may take environmental issues into account in deciding that matter.

24. The National Environmental Management Act, 107 of 1998, (NEMA) provides for the establishment of environmental management frameworks (EMFs) which are aimed at promoting sustainability, securing environmental protection and promoting cooperative environmental governance. Amongst others, they indicate the kind of developments or land uses that would have a significant impact on important environmental attributes, and indicate the kind of developments or land uses that would be undesirable in the area or in specific parts of the area. Although there is no direct link between EMFs and Spatial Development Frameworks (SDFs) as the principal spatial planning tool for municipalities, EMFs must be taken into account to the extent that such information is relevant to the application.

25. The recently promulgated Spatial Planning and Land Use Management Act, 16 of 2013, (SPLUMA) is to provide a framework for spatial planning and land use management in South Africa and to provide for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government. National, provincial, regional and municipal SDFs will have to be prepared in terms of this Act.

Land Use Permitting at the Municipal Scale

26. An Integrated Development Plan (IDP) is the principal strategic planning instrument of municipalities. It guides and informs all planning and development, and all decisions with regard to planning, management and development. The IDP must be compatible with national and provincial development plans and planning requirements. At local government level an IDP must have a Spatial Development Framework (SDF) which must include the provision of basic guidelines for land use management system (LUMS) for local governments. Municipal SDFs set out desired future patterns of land use and development within municipal boundaries, and provide a framework for land use permitting. Depending on the nature of proposed development activities, land use permitting processes that affect biodiversity within municipal boundaries can involve several regulatory authorities across all spheres of government. The SDF also functions as a framework for public and private sector investment in different types or levels of development in those areas of the municipality that are identified as appropriate or suited to such development.

27. Provincial planning authorities and municipalities regulate land use according to their LUMS, the Provincial SDF, and municipal IDPs and SDFs. The Provincial and municipal SDFs set out the desired future state within provinces and municipal areas, and the LUMS confer land use rights. Scheduled land use purposes include “conservation purposes” which means purposes normally or otherwise reasonably associated with the use of land for the preservation or protection of the natural or built

environment, including the preservation or protection of the physical, ecological, cultural or historical characteristics of land against undesirable change or human activity. In addition, Agriculture and Forestry Departments are mandated to safeguard and manage the use of agricultural land or natural forests, Water Authorities to oversee water provision and regulation, and Environmental Authorities are mandated to ensure that environmental impacts are addressed. These authorities are located across different spheres of government, and each independently issues separate authorizations, licenses or permits that may be required for the same proposed activity. Where multiple regulatory authorities are involved, applications for land conversion may be submitted to several regulatory authorities simultaneously with little coordination between them.

28. Upon receipt of an application for land conversion, regulatory authorities consider the application, and may: (a) refuse to grant the permit/license (b) grant it unconditionally or (c) issue permit with conditions to avoid and minimize impacts and where appropriate, offset unavoidable impacts on biodiversity. Various regulatory authorities are mandated to monitor and enforce compliance with permit conditions.

29. Land conversion often takes place illegally (with no application being submitted to the authorities or with proponents not abiding by all the necessary permitting conditions). Without proper monitoring and enforcement, the offenders are not penalized, regulatory processes are undermined, and biodiversity continues to be degraded and lost.

Mainstreaming Biodiversity into Land Use Planning/Permitting

30. Partly with the support of the GEF, South Africa has invested substantially in the development and implementation of tools for mainstreaming biodiversity into land use planning, permitting and economic development. An important learning of this process has been that, while maps of biodiversity priority areas, at appropriate scales, are critical starting points, if biodiversity mainstreaming is to succeed, most of the effort is needed in advocacy, partnership development, coordination and capacity development processes.

31. SANBI has catalysed and continues to support the development of a suite of spatial products in support of biodiversity mainstreaming. All of these products identify biodiversity priority areas that need to be managed and conserved appropriately if national biodiversity targets are to be met. These biodiversity areas include threatened ecosystems, critical biodiversity areas, ecological support areas, freshwater ecosystem priority areas and focus areas for protected area expansion. These spatial products ensure that one consistent spatial biodiversity layer is mainstreamed into all sector and all multi-sectoral processes. The products are typically used to integrate biodiversity into land use planning processes at the provincial and municipal levels, but are also used to inform inter alia protected area expansion strategies, including stewardship programmes, business and biodiversity interventions, farm level planning and land reform processes.

32. At the provincial level, SANBI supports provincial planning departments to develop provincial spatial biodiversity plans. These set biodiversity targets for provinces and are produced at the finest scale possible.

33. At the municipal level, SANBI supports the development of biodiversity sector plans. Where capacity is in place, provincial conservation agencies anchor this process. Biodiversity Sector Plans represent the biodiversity sector's input into multi-sectoral planning frameworks. They contain spatial layers that identify all biodiversity priority areas within the administrative boundaries of the municipality, and are produced at the finest possible scale to enable their use in EIA and other site based land use decision processes; and also contain guidelines and contextual information to guide decision-making. The scale of the biodiversity sector plan maps mean that they are also primed to form components of provincial spatial biodiversity plans. The National Environmental Management: Biodiversity Act, 10 of 2004, (NEMBA) provides the options of formally publishing the spatial biodiversity information as bioregional plans.

34. All biodiversity sector plans, at both the provincial and municipal levels, are produced with land use planning and decision making guidelines and are supported by capacity development processes. These processes expose regulatory authority officials and consultants to the spatial products, and provide GIS and other training in support of their application.

THREATS, ROOT CAUSES AND IMPACTS

Threats

35. There are capacity constraints within institutions in all District Municipalities. There is poor/ little internal and external coordination and use of cooperative governance mechanisms and structures to bridge silos within these institutions. There are regulatory and fiscal challenges and blockages to biodiversity mainstreaming, together with inadequate baseline data on biodiversity and/ or inconsistencies in the scale and quality of data. The capability to review and evaluate development and land use change applications, draft robust and defensible conditions of authorization, and to monitor and enforce compliance of land and natural resource use in accordance with the law, requires strengthening and support. Moreover, there is a poor match between the significance or value of biodiversity and the institutional support for its management. Although a multitude of plans and studies have been undertaken to enable better biodiversity mainstreaming, implementation and follow through seems weak and un-coordinated, with a high risk of not having long-term influence or traction.

36. In addition to these capacity constraints at municipal level, there is a paucity of mechanisms and incentives to engage private and communal landowners in 'biodiversity-friendly' land use practices that protect critical biodiversity.

Root causes

37. There is generally a low level of recognition and understanding within organs of state of the value of biodiversity in sustaining health and livelihoods, in disaster risk reduction

and management, and in its potential role in alleviating poverty through job creation. For this reason there has been limited attention to, and investment of public resources in, building capacity within authorities to evaluate development applications with regard to their effects on biodiversity and ecosystem services. Also, the establishment of mechanisms and creation of financial and other incentives to engage and reward landowners for managing land and resources to sustain biodiversity has had low priority.

38. Compliance monitoring and enforcement of conditions of development permits has been under resourced, which has led to uncontrolled transformation and degradation of areas of natural habitat.

Impacts on Habitat

39. Conversion of natural vegetation to agriculture, commercial forestry, urban development and mining remains the biggest threat to biodiversity in South Africa. From 2000 – 2009, the extent of cultivation in South Africa increased from 10% to 14% of the total land area (NBA 2011 Terrestrial Technical Report). The high rate of conversion has already resulted in 13% of the 20,456 indigenous plant species being at risk of extinction.[7] In addition, at least three species of butterfly are already extinct, with a further 8% of the remaining 793 being considered under threat. Two species of reptiles are extinct and 9% of the remaining 401 species are at risk of extinction; the baboon spider and three groups of scorpions have been placed on the Red List and 35% of the 118 species of indigenous frogs are threatened with extinction. Furthermore, nearly a fifth of South Africa's coast has some form of development within 100m of the shoreline, placing people and property at risk and compromising the ability of coastal ecosystems to buffer the impacts of climate change.

Impacts of Habitat Degradation

40. Poor livestock management and grazing regimes, coupled with invasive alien plant infestations, are responsible for the degradation of vast areas of important biodiversity, and associated loss of ecosystem services. The agriculture and forestry sub-sectors utilize a large proportion of the South Africa's land for food and timber production. The environmental footprint of food systems is extremely large, and livestock and game ranching are the most extensive agricultural land use type in South Africa, covering 80 million hectares of commercial and communal property. Nearly 25 % of land in the districts is already badly degraded. Degradation is particularly evident in commercial and subsistence sectors with an extensive grazing footprint or high water and chemical usage and in communal agricultural areas. The total area infested by invasive alien plants doubled between the mid-1990s and 2007, and at least R6.5 billion of water related ecosystem services are lost every year as a result.[8]

[7] Barnard, P. & de Villiers, M. (eds). 2012. *Biodiversity early warning systems: South African citizen scientist monitoring change.* South African National Botanical Institute, Pretoria. P4

[8] South African National Biodiversity Institute. 2011. *National Biodiversity Assessment. Synthesis Report.* P21

Drivers of the Above Impacts in the Target Landscapes

Amathole District Municipality (ADM)

41. ADM has about 1.7-million people, with a relatively high population density of 78 people per square km, due to densification in the major towns and ex-homeland areas. Areas are mostly under communal land tenure, although significant areas of private tenure exist around Peddie and Butterworth. Communal agriculture consists mainly of small-scale crop farming and open grazed livestock. The coastal belt south of East London is the centre of the pineapple farming industry, with citrus, horticulture and livestock also farmed. Significant forestry plantations are sited in both the Amatole Mountains and around Butterworth. Game farming is an important biodiversity-based economic activity in the lowlands, with tourism along the coast and in the Katberg-Amatole area.

42. The biodiversity and ecosystems of ADM are subject to pressures from increasing population, spreading urbanization (particularly along the coast); commercial agriculture and plantation forestry, overgrazing; mining, overexploitation of indigenous species (e.g. Pelargonium and Aloe; over 90% of species used in traditional medicines are over exploited, and several have been listed in the Red Data Book[9]; industrial activities, subsistence and non-subsistence exploitation of marine invertebrates, recreational, subsistence and commercial fishing, residential, resort and tourism development. Wind farms present a new driver of land conversion. These pressures have resulted in habitat loss, habitat degradation, fragmentation, alien infestation (influenced also by the commercial forestry plantations), over exploitation of invertebrate animals on certain areas of the coastline (e.g. abalone, limpets, mussels), silting up of rivers and estuary mouths due to water flow restrictions to mention a few. Biodiversity is not protected to the extent that is required.

Ehlanzeni District Municipality (EDM)

43. The population of EDM is estimated at 1,624,100 people. The tourism industry plays a central role in the District, with the Kruger National Park as one of the major destinations for international and domestic tourism. There are also a number of private nature reserves in the District; many have no formal protection status. The Tourism and Biodiversity Corridor which includes parts of northern Swaziland and southern Mozambique adds a further tourism dimension. There are a number of freight transport growth and development opportunities within existing spatial development initiatives in the region namely, the Maputo Development Corridor Spatial Initiative, and the Limpopo Trans-frontier Park.

44. Biodiversity is under increasing pressure: land in much of the District is the subject of prospecting or mining rights; commercial forestry is expanding in some areas, and there is mushrooming urban expansion and informal settlement. About 24% percent of the area outside Protected Areas has been transformed by these activities; in addition, there is uncontrolled harvesting of medicinal plants, overgrazing, fuel wood harvest, sand and gravel mining (particularly in river systems). Three percent of the degraded habitat is

[9] Dold and Cocks 2002

considered irreplaceable, 155 taxa are threatened and important wetlands are losing their integrity (water quality, quantity) mostly due to poor land use decisions-such as planting crops with high water requirements in water scarce areas. Although, there is potential to exploit the wildlife economy (e.g. game farming) to improve livelihoods, there is currently no framework in place. The municipality also faces a number of challenges with regard to land ownership because most land is either under the authority of traditional leaders or belongs to private individuals. Further challenges to the land issue are the finalisation of land claims, which hinders developments across the entire district on areas earmarked for development.

Cape Winelands District Municipality (CWDM)

45. The CWDM has a population total of 650,975 citizens and a population density of 29 persons per sq km. Agriculture and forestry contribute 15% to the district's economy and also provides the largest proportion of employment (38%). The district's main products are grapes, deciduous fruits and vegetables. The CWDM produces 56% of all wine grapes and 68% of all wine in South Africa. The district also produces approximately 90% of South Africa's olive crops. Agriculturally viable land is concentrated in the more developed western region of the district, typically in the valleys where alluvial soils and irrigation opportunities exist.

46. Critical Biodiversity in the CWDM is under pressure from extension of urban and residential areas, infrastructure development, as well as some agricultural expansion. Over consumption of water relative to available resources (with parts of rivers are often pumped dry during the dry mid-summer), the damming of rivers, together with water pollution (farming activities, informal settlements, leaching from landfill sites and unsuitable sewage removal systems) is also having a significant impact on freshwater biodiversity and wetlands. Other problems include erosion, invasive alien species, poor fire management or uncontrolled fires. As a result the ecosystem functioning in these areas, especially in the river and wetland systems, is severely compromised. Potential future uranium mining and proposed wind farms would further exacerbate this trend.

uMgungundlovu District Municipality (UDM)

47. The District has a population of approximately 989 000 people. The population in uMgungundlovu represents 2% of the national population and 10% of the provincial population.

48. The middle reaches of the District are characterised by mixed land use on commercial farms, with livestock and dairy farming, and a strong emphasis on tourism. Approximately 20% of the surface is cultivated for agriculture, with an additional 15% under commercial forest.

49. Extension of urban and residential areas, major infrastructure and 'ribbon' development (particularly along the 'N3 corridor', as well as some agricultural expansion (e.g. sugar cane), are driving biodiversity loss. Primarily in communal areas, overgrazing by livestock combined with inappropriate fire regimes is accelerating the degradation of grasslands and erosion. Past draining of wetlands and pollution of water resources

(concentrated farming activities, informal settlements, and unsuitable sewage removal systems) are also having a significant impact on freshwater biodiversity and wetlands, and on public health. Water demand currently exceeds supply. Commercial forestry in the higher-lying areas is associated with the spread of alien invasive plants. Natural forest remnants are under pressure from over use particularly of high value medicinal species, by inappropriate grazing and by invasion by alien invasive plants.

LONG-TERM SOLUTION AND BARRIERS TO ACHIEVING THE SOLUTION

50. The long-term solution being proposed by this project is to mainstream biodiversity management objectives and safeguards effectively into Government's New Growth Path, particularly at the municipal scale, where most of the infrastructure investment is planned and most of the new jobs will be created. Mainstreaming would entail strengthening the capacity and coordination of regulatory authorities that govern land-use decisions within municipal administrative boundaries to ensure impacts on biodiversity are identified, and measures to avoid, minimise and or offset unavoidable impacts are put in place and implemented. Furthermore, mainstreaming would involve strengthening mechanisms to monitor compliance with, and enforcement of, conditions of authorization. Since most of the land in municipalities is privately or communally owned, with little or no formal protection of critical biodiversity, this would be complemented by interventions that strengthen partnerships with land holders and provide incentives for them to engage in land-use activities that protect critical biodiversity and support the Government's green jobs agenda.

51. Linked to the Threats and Root Causes noted above, there are two main barriers to mainstreaming biodiversity, namely:
    - Weak capacity and poor co-ordination at the municipal scale; and
    - Inadequate mechanisms in place to engage private and communal landowners in land use practices that protect critical biodiversity, and lack of incentives for private landowners to convert to biodiversity friendly land use practices.

52. These barriers are elaborated on in the table below, and long-term solutions are proposed.

Table 1 Barriers and long-term solutions

BARRIER	ELABORATION	LONG-TERM SOLUTION
1: Weak Capacity and Poor Coordination at the municipal scale.	Capacity to interpret and meaningfully integrate the biodiversity information and maps in IDPs and SDFs and other relevant planning and decision-making processes is very low. Although maps of biodiversity priority areas exist, they are not (except for very few municipalities) reflected in IDPs or SDFs. The integration of biodiversity	In order to support the regulatory authorities, there is a need (a) to put in place a co-operation framework at municipal scale for co-ordinating land and resource use regulation amongst municipal, provincial and national regulatory authorities

BARRIER	ELABORATION	LONG-TERM SOLUTION
	priorities into the land use planning and management system, and permitting process, therefore remains very weak. There are several regulatory authorities at the municipal scale, across all spheres of government that regulate land and natural resource use. However, coordination among these regulatory authorities is weak and this often results in land use permitting decisions either taking too long, or permits being issued without effective consultation with all parties. When such permits are issued in biodiversity priority areas, and without any conditions for mitigating or offsetting impacts, the result is habitat degradation and loss of important biodiversity. Very few municipalities have dedicated environment officials and this function is often diluted and combined with other roles, or not addressed at all. The same is true of most other regulatory authorities where natural resource management mandates are interpreted narrowly. Capacity to undertake 'follow up' compliance monitoring and enforcement of conditional land and natural resources permits is very weak in all regulatory authorities.	mandated to govern land and resource use; (b) to build capacity of staff to incorporate criteria to avoid/ prevent, minimise and/ or offset impacts on biodiversity in the land use permitting process; (c) strengthen compliance monitoring, enforcement, coordination and alignment between regulatory authorities and (d) exploit the potential of biodiversity as a resource for creating green jobs at the municipal scale- thus contributing to the Government's job agenda.
2: Inadequate mechanisms in place to engage private and communal landowners in land use practices that protect critical biodiversity, and lack of incentives for private landowners to convert to biodiversity friendly land use practices.	Most biodiversity priority areas in the target districts are on land that is either privately or communally owned. None of this land is formally protected. In the absence of formal protection, and given the limited capacity of regulatory authorities, biodiversity priority areas are under threat from degradation and conversion pressures. Production activities will continue to pose an unmitigated threat to biodiversity unless private and communal landowners are engaged and empowered to better manage and become custodians of important biodiversity on their land. Engaging them would reduce pressure on the regulatory authorities to police and penalize land use transgressions. Specific barriers to engaging landowners include: (a) little or no capacity of landowners and resource users to manage or use natural resources sustainably (b) poor capacity of extension workers to	Capacity is needed in the participatory development and implementation of (1) production standards for sectors that impact biodiversity and (2) guidelines for extraction and sustainable use of useful plants. Implementation of these standards would entail entering into agreements with landowners, and strengthening their capacity to implement sustainable management and sustainable use thresholds, self-monitor and enforce sanctions against defaulters. There is a need to establish benchmarks against which the exploitation of indigenous threatened medicinal plant

BARRIER	ELABORATION	LONG-TERM SOLUTION
	provide land owners and users with information and management support. Although harvest of indigenous threatened plant species for, amongst others, traditional medicinal use is well known, there is little reliable information on the scope or impact of this practice. Current levels of habitat conversion and degradation are partially attributed to land holders not being aware of biodiversity-friendly alternatives that are economically viable – with definite and clear financial benefits. Secondly, it is, in most cases, costly for landholders to change from current land use practices to those required to conserve biodiversity on their land. Furthermore, a number of fiscal and institutional obstacles hamper investment in biodiversity at a municipal level. These include: lack of effective fiscal incentives, poor recognition and accounting of the value of natural assets, and insufficient investment in natural assets. Despite the existence of first generation fiscal incentives to secure agreements with landowners to manage their land in a way that is compatible with biodiversity conservation and decreases threats to biodiversity, the application of these fiscal incentives has shown them to be highly limited and, as a result, largely ineffective. For example, most landowners with critical biodiversity on their land are farmers or communities with no taxable income. Of the few with taxable income, the restrictions placed on the 10% limitation imposed by the relevant Section of the Act (Section 18A) cap on the value which is deductible, often means that the financial incentive is not sufficient. Of those landowners where this might not be a problem, they are further limited by the inability to carry over any unused deductions. Of those entering into other kinds of contractual agreements, there are several other limitations or inequities which effectively seem to prevent the	species can be evaluated and appropriate management interventions made. There is a need for two kinds of incentives: (a) incentives by way of market-based assurances to support landowners who elect to convert to these biodiversity-friendly practices and (b) improved financial incentives for conserving biodiversity on private or communal land at a local level, for which engagement with national treasury and other relevant entities is needed. Strengthened capacity in business planning and marketing will also be needed to support entrepreneurs to develop biodiversity-compatible businesses in support of the wildlife economy. There is a need for municipal budgets linked to IDPs and SDFs to have dedicated allocations for the maintenance and management of biodiversity to reduce the risk, and improve management, of natural disasters, and to allow for adequate employment in this regard. In addition, there is a need for increased national funding allocations to municipalities for such investments.

BARRIER	ELABORATION	LONG-TERM SOLUTION
	incentives from encouraging conservation behaviour. Furthermore, property rates deductions are only applicable to landowners who are not generating any income from the land in question. This means that a landowner who sets aside a large property to be managed for biodiversity, but sells, for example, two head of cattle in a year from that property, is considered to be generating an income and will not be able to claim the property rate exemption. Even though Municipalities are responsible for managing intact natural areas, they remain underfunded and under capacitated for this work. In the event of a natural disaster, municipalities are only allocated funds to manage the aftermath and repair damage. No funds are allocated funds to pro-actively prevent or mitigate natural disasters. Municipalities are therefore dis-incentivised from investing in the restoration, management and protection of intact biodiversity areas which could help to mitigate the effects of natural disasters, such as intact foredunes providing protection from storm surge, or wetlands providing flood control. The state of a nation's wealth and economic growth is measured by the GDP. However, GDP is a poor indicator of the nation's true wealth as it measures only market transactions and not social costs, environmental impacts and income inequality. As a result, decisions are made at a national level which may improve the GDP, but may not improve job creation or sustainable development, and *vice versa*.	

INTRODUCTION TO PROJECT SITE INTERVENTIONS

53. The Project sites comprise the Amathole District Municipality, the Ehlanzeni District Municipality, the Cape Winelands District Municipality and the uMgungundlovu District Municipality. A description of the key biodiversity attributes of each District Municipality is provided below.

Amathole District Municipality (23,675 sq. km) – Annex 1, Map 2:

54. The Amathole District Municipality (ADM), on the eastern seaboard of South Africa, comprises 2.8% of South Africa's surface area yet supports 15% of its species diversity. It is located almost completely within the Centre of Floristic Endemism in the globally recognised Maputaland-Pondoland-Albany hotspot. The Amathole Mountain range has high species diversity with a total of 1,215 species of vascular plants representing 30% of the entire Afromontane flora, as well as endemic "subtropical thicket" vegetation. Five biomes and 21 vegetation types are represented in the area. Only 4% of the natural vegetation is formally protected by reserves. Three Vulnerable ecosystems are found in this district namely Eastern Temperate Freshwater Grasslands, Transkei Coastal Platform Forests and Mthatha Moist Grassland. This District includes the Amathole Tarkastad focus area as well as some elements of the Bhisho Kei focus area, both prioritized in the NPAES. The Eastern Cape Protected Area Expansion Strategy has identified six priority areas within this district, namely Commando Drift to Bedford, the Katberg Amathole, Sunshine Coast, Qhora Mouth Manubi, Dwesa Cebe and Great Fish areas, based on the presence of Freshwater Ecosystem Priority Areas (FEPAs), threatened vegetation types, and significant development pressures. Just under 5% of the total land surface is classified as 'degraded'.

Ehlanzeni District Municipality (27,897.6 sq. km) – Annex 1, Map 3:

55. The Ehlanzeni District Municipality is located in Mpumalanga Province, in Eastern South Africa. The district is located in the northern section of the Maputaland-Pondoland-Albany hotspot, the second richest Floristic Region in Africa with one type of forest, three types of thicket, six types of bushveld and five types of grasslands unique only to the hotspot. Over 70% of South Africa's vertebrates occur in this area including a very high diversity of mammals and birds.

56. Over 74% of the District is covered by natural vegetation and just less than 50% of this vegetation is found within protected areas, primarily in the lowveld. The escarpment within this District Municipality is the most important area for threatened species and ecosystems: The escarpment includes several terrestrial threatened ecosystems (listed as Critically Endangered and Endangered): Kaapsehoop Quartzite Grasslands, Dullstroom Plateau Grasslands, Sekhukhune Mountainlands, Mauchesburg Alpine Grasslands, Malmani Karstlands, and Blyde Quartzite Grasslands. The lowveld area has two endangered ecosystems, namely: Noordkaap Greenstone Bushveld and Mananga – Lebombo Thornveld. The District includes the Mpumalanga Mesic Grasslands and the Northeast Escarpment Focus area, both prioritized in the NPAES. The Mpumalanga Conservation Plan and Protected Area Expansion Strategy identified a number of priority areas within this district, namely Vaalhoek, Badfontein Plateau, Graskop, Die Berg, Schoemanskloof to Kaapsehoop, Crocodile Gorge, Kaalrug Barberton, Noordkaap Greenstone Bushveld and Mananga Mountain, based on the presence of FEPAs, threatened ecosystems, Critical Biodiversity Areas and significant development pressures.

Cape Winelands District Municipality (22,309 Sq km) – Annex 1, Map 4:

57. The Cape Winelands District Municipality (CWDM) is located between two globally recognised hotspots, the Succulent Karoo and the Cape Floristic Region. These hotspots are characterised by extraordinary endemism and diversity of succulent, vascular plant and invertebrate species, specialist insects, freshwater fish and birds. Approximately 84% of the district retains natural (and near natural or moderately degraded) habitat. The formally protected areas are severely fragmented and degraded in places, and as such are considered inadequate to protect a satisfactory representation of the area's incredible biodiversity, with many areas of high conservation value falling outside of formally protected areas. Only 7.6% is included in proclaimed Protected Areas and 13.5% in Mountain Catchment Areas. Other (non-declared) conservation areas include numerous Private Nature Reserves and a Private Game Reserve as well as a number of conservancies, which entail cooperative landowner agreements with no legal obligations. These informally protected areas do not make provision for long-term security of tenure in terms of biodiversity conservation. This District includes the Boland Kogelberg and the Vrolikheid focus area, both prioritized in the NPAES. It contains highly fragmented remnants of Critically Endangered Swartland Shale and Swartland Granite Renosterveld. The rivers exhibit high levels of endemism and are many of the tributaries of the Breede and Dooring are highlighted as FEPAs.

58. The Biodiversity Sector Plan for the District identifies a number of priority areas, including the Upper Breede River Valley, Paarl Limietberg, Robertson and Ceres, based on the presence of FEPAs, threatened vegetation types, and significant development pressures.

uMgungundlovu District Municipality (9 514.6 Sq km)- Annex 1, Map 5:

59. This District Municipality is located within the Maputaland-Pondoland-Albany hotspot. It forms a significant part of the KZN Midlands, one of the most diverse corridors in the Maputaland region, forming an important component of the Maputaland-Pondoland-Albany hotspot. A large percentage of this District comprises high yield water catchment areas containing numerous FEPAs which are important for ecosystem functioning. A Ramsar Site is also partly located in the District. It includes the Eastern Valley Bushveld focus area, prioritized in the NPAES. It comprises grassland, savannah and forest biomes with small areas of Indian Ocean Coastal Belt. Approximately 13% of the remaining natural vegetation is in formally protected areas constituting 8% of the District.

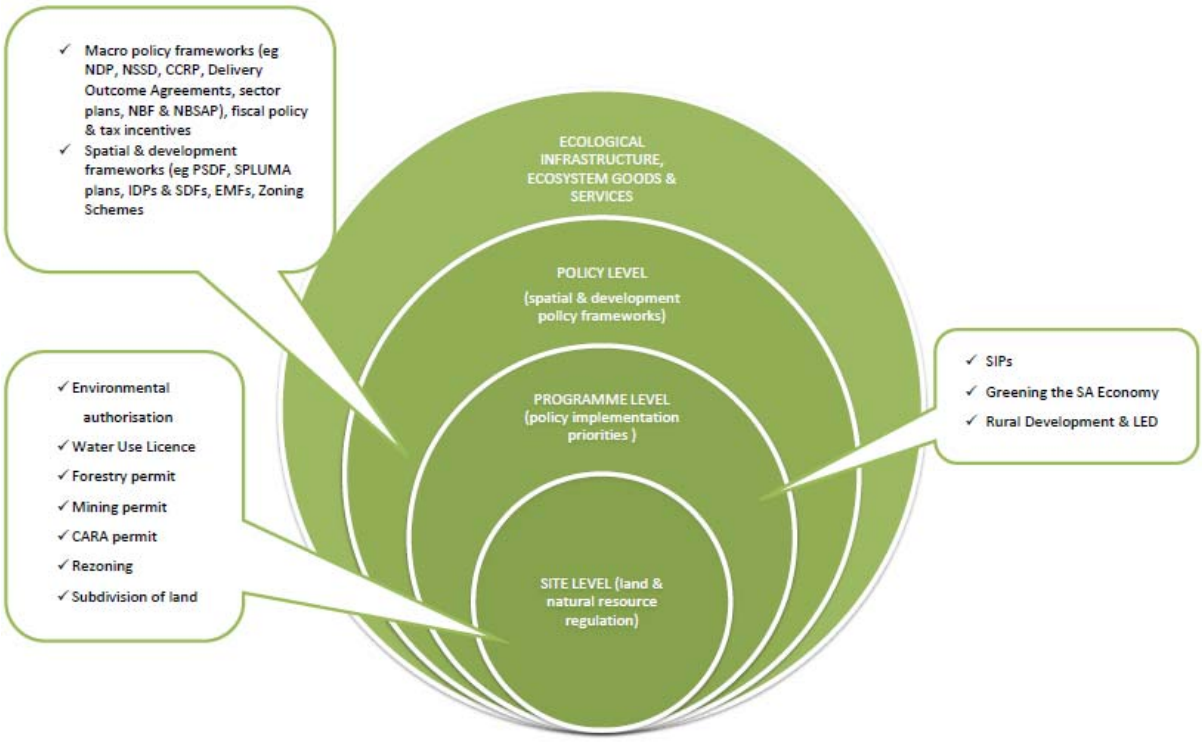
60. Endangered ecosystems in this District include Midlands Mistbelt Grassland, KwaZulu Natal Sandstone Sourveld, Loskop Grasslands, uMngeni Valley Bushveld, Impendle Highlands, Cumberland Crest ecosystems, as well as the Critically Endangered New Hanover Plateau; an additional 16 Vulnerable ecosystems are also found here. The altitudinal gradients found in this region provide a valuable buffer against climate change. Forest remnants provide valuable resources for local communities.

61. The KwaZulu Natal Conservation Plan and Protected Area Expansion Strategy identified a number of priority areas within this district, namely the Greater Msundusi

Valley, Wartberg, Karkloof Forest, Nagel Dam and Impendle Wetlands, based on the presence of FEPAs, threatened vegetation types, and significant development pressures.

62. The detailed design of the Biodiversity Mainstreaming Project is provided later in the Strategy part of this document. In order to give an overview of the different interventions, it is useful to introduce the conceptual project design in this section. South Africa recognizes that a focus on protected areas alone will never be sufficient to conserve representative samples of biodiversity and/or maintain healthy functioning ecosystems. The districts targeted in this Project include several of these priority areas for meeting biodiversity targets and/ or maintaining ecological processes. However, because much of the remaining natural areas in these Districts are fragmented in the landscape, they are not suited to Protected Area expansion. Rather, they are better suited for mainstreaming interventions which target, firstly, landscape-scale planning and the types of development which are driving the transformation and fragmentation, and secondly, the principal production sectors in those areas in order to promote biodiversity-friendly practices. The conceptual thinking underpinning the design of, and rationale for, this biodiversity mainstreaming project, is informed by the understanding that biodiversity and ecosystem goods and services are central to the effective and sustainable functioning of land and natural resource regulation, policy implementation and priority setting, and spatial and land use planning. The relationship between these different elements is illustrated in the figure below.

Figure 1 Conceptual framework for mainstreaming biodiversity into land use regulation and management at the municipal scale



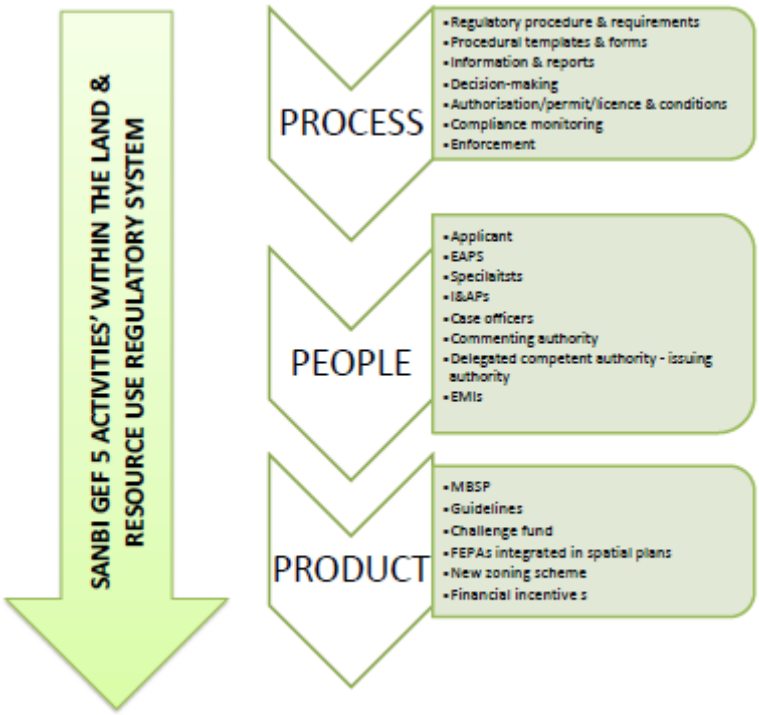
63. With specific regard to landscape-level planning and the types of development which are driving transformation and fragmentation, the Project recognises that, to mainstream biodiversity into land and natural resource use regulation and management at the municipal scale, it is necessary to influence and strengthen a number of different, inter-related areas within a bigger system. The bigger system broadly comprises the following three elements which are illustrated the figure below:

a) **Policy and process** - laws, policies and strategies - that define the objectives, approaches and tools to be used in land and natural resource use regulation and management, as well as the formal procedures associated with permitting, authorisation and enforcement;

b) **Institutions and 'people'** that affect the levels of collaboration, co-operation and integration between different Departments, the capacity to implement laws, policies and strategies, and the effectiveness and efficiency with which they are applied; as well as

c) **Products and tools** that ensure that biodiversity information is accessible and comprehensive; that support, provide guidance on, and/ or incentivise good practice in line with the spirit of laws, policies and strategies, and/ or penalise or dis-incentivise undesirable practice.

Figure 2 Process - People – Product



64. To function effectively, each element within the bigger system must give due consideration to biodiversity priorities and ecosystem services. That is, a failure in any one element and/or lack of cross-sectoral integration is likely to jeopardise ultimate success in mainstreaming. The range of possible interventions in the different elements is described below:

a) **Policy and process**:

- Greater awareness of the relevance of biodiversity consideration within the hierarchy of components would help to improve decision making on land and natural resource use:
  - ✓ *At national / provincial level*: National Environmental Management Act (NEMA) and the Environmental Management Framework (EMF) regulations; NEMA and the environmental impact assessment (EIA) regulations; the National Environmental Management Biodiversity Act (Biodiversity Act) and its EIA triggers and regulations; Spatial Planning and Land Use Management Act (SPLUMA) and the Spatial Development Framework (SDF) requirements; National Water Act (NWA) and water use license (WUL) requirements; National Forests Act and permit requirements; Conservation of Agricultural Resources Act (CARA) and its permit requirements for transforming natural areas; Mineral and Petroleum Resources Development Act (MPRDA) and associated licence/ permit requirements.
  - ✓ *At local level*: Integrated Development Plans and associated SDFs and Land Use Management Systems (LUMS), with associated requirements in terms of land use change (e.g. rezoning, subdivision) applications; and Area-Wide Planning in terms of CARA.
- Ensuring that strategic plans have taken biodiversity and ecosystem services into account would assist decision making on 'downstream' projects. Laws provide for strategic-level assessment through EMFs and SDFs; it is important to 'get these right' since the lower order EIAs should be guided by higher-order plans. Spatial Development Frameworks must now in terms of SPLUMA be prepared at provincial and/ or municipal levels.
- Where policy vacuums on matters of importance to biodiversity exist, initiatives to draft, finalise and publish that policy would help to provide a predictable and consistent context in which decisions on land and natural resource use and management are made.

b) **Institutions and 'people'**:

- Increasing the capacity of departments to carry out their functions more effectively and efficiently would improve planning, the review and evaluation of land and natural resource use applications, decision making, and compliance monitoring and enforcement with regard to biodiversity. This increase in capacity could include particular specialist biodiversity areas, to address current deficiencies.
- Capacity development and training of all the key players involved in land and natural resource regulation and management would help to ensure that there is an adequate understanding of biodiversity and the role it plays in: safeguarding ecosystem services and thus the delivery of key ecosystem services; negatively impacting development in

areas prone to natural hazards such as flooding; disaster risk reduction and management through conserving those ecosystems that buffer or absorb natural hazards; helping to adapt to climate change;

- Promoting collaboration, co-operation and integration between different departments who are responsible for decision making on permits and authorisations for changes in land and/ or natural resource use, to ensure that the links and interdependencies between biodiversity, water, agricultural resources (amongst others) are recognised and duly considered, and to maximise efficiency in processing applications;

c) **Products and tools**:

- Guidelines would help to elaborate on and explain how best to implement laws, policies and strategies; how best to incorporate biodiversity information into IDPs and SDFs; how best to embed ecosystem-based adaptation in addressing key challenges like climate change and disaster risk reduction;
- Providing 'biodiversity and ecosystem services overlays' for easy incorporation into SDFs would facilitate uptake of biodiversity in these plans;
- Financial mechanisms would help to incentivise good practice and encourage increased investment in, and budget allocations to, ecosystem services at the municipal scale;
- Updating SDFs, protocols on reviewing and evaluating development proposals, amongst others, would help to ensure that biodiversity is adequately addressed in decisions on land and natural resource use;
- Standardising the way that biodiversity must be addressed in applications to change land or natural resource use applications and EIAs would help improve practice;
- Setting up registers to track, monitor and evaluate performance of different interventions, and the effectiveness and success/ failure of implementation of conditions of permit/ authorisation, would help to promote continual improvement in the way biodiversity is taken into account in decision making and development;
- Product certification would help to 'raise the bar' in target sectors with regard to consideration of biodiversity and ecosystem services; and
- Management plans for specific ecosystems and species would improve conservation outcomes.

65. Conservation and sustainable use of natural resources is the objective of interventions in the principal production sectors in priority areas for biodiversity. Working closely with the main players in these sectors to understand their opportunities and constraints, and to identify ways to work towards a sustainable future that conserves important biodiversity and ecosystem services, is essential. The following key interventions are seen to be crucial to effective mainstreaming on private and communal land:
    a) Securing natural areas for conservation in the long term through forging partnerships with land owners;
    b) Working with, providing support for, and guidance to, production sectors in order to help them use natural resources sustainably and in a way that enables persistence of biodiversity;

c) Improving management of priority areas through better monitoring and adaptive management, and ensuring that any legal requirements (including conditions of permit or authorisation) are being met;
d) Understanding and improving the way that particularly threatened species or ecosystems are utilised, in such a way that their status is preferably improved, and at minimum does not deteriorate; and
e) Making sure that there is sufficient capacity within institutions to undertake all of the above activities.

STAKEHOLDER ANALYSIS

66. A wide range of stakeholders will be involved in supporting implementation. As is detailed in Table 2 below, their roles in terms of implementation have been matched to their official responsibilities. This will ensure alignment of their mandate to their role during implementation. This is critical in terms of ensuring ownership and allocation of internal resources during implementation as well as ensuring long term sustainability after the completion of the GEF sponsored activities. It is important to note in this context that the implementing agency managing the project on behalf of the GEF is the United Nations Development Programme.

Table 2 Indicative roles and responsibilities of stakeholders

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
NATIONAL LEVEL	
South Arican National Biodiversity Institute (SANBI)	Primary executing agency with overall project management and project development responsibilities. Several divisions within SANBI will be responsible for leading and implementing interventions in Component 1 of the project including SANBI's Biodiversity Mainstreaming, Information Management and Knowledge and Research divisions.
Department of Environmental Affairs (DEA)	Responsible for environmental policy, legislation and developing and implementing the Biodiversity Act. Primary project oversight. DEA's Natural Resource Management Directorate is involved in large-scale rehabilitation and restoration projects in the target District Municipalities, and will play a role in Components 1 and 2
National Treasury	Responsible for managing the national government finances and budgets. Will support work on financial incentives and funding mechanisms in Components 1 and 2.
Government Technical Advisory Centre (GTAC)	GTAC is an externally orientated programme which supports the National Treasury's core business. Its responsibilities include providing technical consulting services to departments and government agencies; advice on the feasibility of infrastructure projects; and knowledge management services for projects undertaken. GTAC will

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
	support the establishment of a Biodiversity Mainstreaming Ecological Infrastructure group within its Economies of Regions Learning network (ERLN).
Department of Water Affairs(DWA)	Responsible for managing surface water and groundwater resources in the country, water allocation, and permitting of water use. Will work with SANBI on FEPAs in selected target districts and water pricing strategy.
Department of Co-operative Government and Traditional Affairs (COGTA)	Responsible for facilitating cooperative governance and supporting all spheres of government, promoting traditional affairs and supporting associated institutions. Will participate in cooperation frameworks established in selected target districts under Component I. Potential synergies exist between this project and the work of the National Disaster Management Centre (NDMC). Accordingly, the project will also explore the opportunity for possible further collaboration and engagement with the NDMC with regard to the public finance activities in Component 1 to ensure alignment between the project activities and disaster management budgets. The NDMC is responsible for promoting an integrated and co-ordinated disaster management system, focusing on prevention and mitigation, by national, provincial and municipal organs of state, statutory functionaries, other role players and communities.
Municipal Infrastructure Support Agent (MISA)	MISA is a public entity within the Ministry for Cooperative Governance and Traditional Affairs. Its principal mandate is to provide technical support to and assist municipalities strengthen their internal capacity for delivery and maintenance of basic service infrastructure. This initiative is an integral part of the Department of Cooperative Governance's programme towards improving municipal infrastructure provisioning and maintenance for accelerated and sustainable service delivery, in line with the objectives of Local Government Turnaround Strategy. SANBI and the project partners will work closely with MISA to ensure alignment between MISA's work with municipalities and Project interventions within the target districts.
South African Local Government Association (SALGA)	Responsible for representing, promoting and protecting the interests of local government.
Department of Trade and Industry, business development and financing institutions	To be engaged in support of Component 2 of the project particularly through the SIZA process
Department of Science and Technology (DST)	DST is the national department responsible for coordinating the National System of Innovation. Within the environmental sector DST is responsible for: strategic gap analysis and programmatic response relating to the

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
	research, development and innovation (RDI) components of various environmental issues; piloting and demonstrating new concepts, innovations and processes to provide 'proof of concept' to end users and implementers; streamlining the innovation cycle in relation to different aspects of the environment; and supporting the development of post graduate students that address gaps in environmental RDI.
South African National Parks (SANParks)	The primary mandate of SANParks is to oversee the conservation of South Africa's biodiversity, landscapes and associated heritage assets through a system of national parks. Responsibility for ensuring integration between mainstreaming and protected area interventions supported by GEF will be managed by a joint committee which will focus on Ehlanzeni and Amathole where there will be some spatial overlap. This will ensure that stewardship outreach and inputs into local planning processes are integrated across projects. A further area of joint interest is the active maintenance of healthy ecosystems in order to deliver ecosystem services.
Department of Agriculture, Forestry and Fisheries (DAFF),	Responsible for agriculture and forestry regulatory, compliance and enforcement functions in the target District Municipalities. DAFF also provides production and extension support to commercial and emerging famers, the commercial forestry sector and small growers. Will play a role in the implementation of Components 1 and 2, with particular focus on those activities aimed at supporting emerging farmers and small growers on communal land.
Department of Rural Development and Land Reform (DRDLR)	Responsible for integrated rural development, land reform and the implementation of SPLUMA. The Department will not participate directly in the Project but will support work done in respect of SPLUMA and in particular the development of protocols for environment layer of SDFs.
Council for Scientific and Industrial Research (CSIR)	Research agency that plays a key role in Freshwater Ecosystem Planning and Monitoring. Will be engaged in capacity development activities with regard to FEPAs in Component 1.
International Council for Local Environmental Initiatives (ICLEI) Africa	ICLEI Africa's is based in Cape Town and its core work streams include: Waste, Energy and Climate Change (including Disaster Risk Reduction), Water and Sanitation, Urban Biodiversity, Green Urban Economy, Urban Food Security, Leadership and Governance, and Integrated Urban Planning. Member cities relevant to this project include Buffalo City and the uMgungundlovu District Municipality. Will participate in component 1 outcomes that focus on municipalities. SANBI and the project partners will work closely with ICLEI and ensure incorporation of ICLEI work with municipalities within the target districts.

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
World Wildlife Fund South Africa (WWF-SA) *Conservation South Africa (CSA)* *Endangered Wildlife Trust (EWT)*	WWF-SA, CSA, and EWT are non-governmental organisations. WW-SA and CSA have interests and experience in business and biodiversity programmes throughout South Africa, notably through the WW-SA and CSA Green Choice Alliance partnership. They will play a role in shaping the interventions of Components 2 interventions in targeting the fruit and sugar sectors. WWF-SA will work with production sectors to promote better land management and certification systems EWT's role in the project will be to provide strategic advice (as a member of the project steering committee) and to leverage greater private sector involvement in the compliance monitoring and enforcement activities of the project. EWT's involvement also provides opportunity to align the project activities with the National Biodiversity and Business Network (NBBN).
Fruit SA, NCT Forestry Cooperative Ltd,	Commercial producers and operators will be supported to develop biodiversity-compatible approaches, and engaged in important partnerships in Component 2.
PROVINCIAL LEVEL	
Provincial Conservation Agencies: *Mpumalanga Tourism and Parks Agency* *CapeNature* *Ezemvelo KZN Wildlife* *Eastern Cape Parks and Tourism Agency (ECPTA)*	Commenting authorities on environmental authorisations and various other land and natural resource use permits. Will play a role in the implementation of various activities under both Components 1 and 2.
Regional water management authorities such as the regional offices of the Department of Water Affairs (DWA), uMngeni Water, Breede-Overberg and Catchment Management Authority (BOCMA)	Catchment Management Authorities are mandated by DWA to manage a particular region's water resources. This includes continuous engagement with all stakeholders, responsibility for water quality, water allocation reform, administration of registration and licensing. Will play a role in the implementation of Component 1 in selected target districts.
Provincial Departments of Agriculture: *Western Cape Department of Agriculture (DoA)* *KwaZulu Natal Department of Agriculture and Environmental Affairs (DAEA)* *Eastern Cape Department of Agriculture and Land Affairs (DALA)* *Mpumalanga Department of Agriculture*	Responsible for some regulatory, compliance and enforcement functions in the target District Municipalities. May play a role in the implementation of Components 1 and 2.
Provincial Department of Environmental Affairs and Development Planning (DEA&DP); *Provincial Departments of Economic Development and Environment Affairs*	Issuing authorities for environmental authorization in terms of the NEMA EIA Regulations and for ensuring for compliance with environmental policies, legislation and reporting according to the Ministerial Outcome 10 Delivery agreements. DEADP is also responsible for determining

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
(DEDEA) *Department of Agriculture and Environmental Affairs (DAEA)* *Mpumalanga Department of Economic Development, Environment and Tourism (DEDET)*	provincial spatial and land use policy in the Western Cape. The provincial environment departments also play a role in ensuring biodiversity is integrated in municipal scale planning by commenting on IDPs, SDF and development applications that are permitted in terms of planning legislation. These departments may play a role in implementing activities under Component 1.
Bioregional programmes: *CAPE Implementation Committee, and CAPE coordination unit* *Eastern Cape Implementation Committee (ECIC), and ECIC coordination unit* *Grasslands Coordination Unit*	Bioregional programmes and provincial wide governance structures are present in the Cape Winelands and Amathole District Municipalities and will play a role in drawing implementation lessons from project intervention sites to other Municipalities within their areas of jursidiction.
MUNICIPAL LEVEL	
District Municipalities, including Municipal Councils and local Municipalities: *Ehlanzeni District Municipality and Bushbuckridge, Mbombela, Nkomazi, Thaba Chweu, Umjindi Local Municipalities* *Cape Winelands District Municipality and Langeberg, Breede, Drakenstein, Stellenbosch, Witzenberg Local Municipalities* *Amathole District Municipality and Buffalo City Metro, Nkonkobe, Nxuba, Ngqushwa, Amahlathi, Mnquma, Greater Kei, Mbashe Local Municipalities* *uMgungundlovu District Municipality and Impendle, Mpofana, uMngeni, uMshwathi, Msunduzi, Richmond, Mkhambathini Local Municipalities*	Responsible for planning, budgeting, service delivery and economic development in the target District Municipalities. Key implementation partners for all components.
Biosphere Reserves: *Winelands Biosphere Reserve* *Kruger to Canyons Biosphere Reserve (K2C)* *(Emerging) Amathole Biosphere Reserve*	Involved in mainstreaming and coordination interventions in the District Municipalities. Potential roles in project implementation and ensuring synergy with RESLIM USAID and the Protected Area METT project activities (where appropriate) within the target District Municipalities.
Local communities and community institutions	Local communities will be important beneficiaries of project interventions, and will be the focus of interventions in Component 2.
Commercial producers and operators	Commercial producers and operators will be supported to

STAKEHOLDER	INDICATIVE ROLES AND RESPONSIBILITIES
	develop biodiversity-compatible approaches, and engaged in important partnerships in Component 2.
Association for Water and Rural Development (AWARD)	Significant experience in rural water security, including in wise management and equitable allocation. Lead implementer on the USAID Resilience in the Limpopo River Basin Program (RESILIM).

67. The stakeholder engagement plan used in the project design stage is appended in Annex 4.

BASELINE ANALYSIS

68. The baseline analysis of institutional capacity for administering EIAs and ensuring that biodiversity considerations and information is incorporated effectively in the appropriate review, commenting and decision-making processes, formulation of conditions of authorisation and compliance monitoring procedures and actions in the affected districts has taken the following factors into account:

69. From the provincial perspective, the baseline considered capacity levels in terms of budget and numbers of staff and the capability and skills of available staff to interpret and use biodiversity informants, as well as budget allocation towards the exercise of the provincial mandate given that the Provinces are designated as issuing authority in terms of the applicable legislation to authorise EIA applications.

70. Municipalities are commenting authorities in terms of the law and are not mandated to issue environmental authorisations. They do, however, have land use and spatial planning powers in terms of the applicable planning and municipal legislation. Accordingly, the baseline considered the extent to which municipalities do make provision for biodiversity within their budgets and if so, how much resources are allocated; as well as the extent to which biodiversity priorities are integrated in municipal decisions and IDPs.

71. According to the baseline analysis conducted, the Western Cape Department of Environmental Affairs and Development Planning (DEADP) indicated its total budget allocated to the management of ecosystems or biodiversity for the current financial year amounts to R17,5 million, of which approximately R3 million is allocated to the management of ecosystems or biodiversity. DEADP has 4 staff assigned on its approved service establishment responsible for the management of biodiversity, specifically spatial and land use planning, biodiversity/conservation planning and stewardship. There is no dedicated biodiversity capacity allocated to compliance monitoring or enforcement in the Department. The Department rated its in-house skills capacity with regard to using and interpreting biodiversity mainstreaming as being moderate to good.

72. According to the baseline analysis conducted uMgungundlovu District Municipality indicated that it does not receive any EPWP, other grants and/or donor funding to support ecosystem restoration and/or maintenance; and zero budget is allocated to the management of ecosystems or biodiversity. For example, currently there are no specific projects identified in this District Municipality's IDP that target restoration/ improved management of sensitive or important natural areas, with associated job creation. Zero budget is allocated to the management of ecosystems or biodiversity in Ehlanzeni District Municipality and although consideration for ecosystems is evident in SDF's, there are no projects that specifically target ecosystem restoration and/or maintenance incorporated in the IDP. As in the case of the UDM, this District too does not receive any EPWP, other grants and/or donor funding to support ecosystem restoration and/or maintenance.

73. The uMgungundlovu District Municipality has 4 dedicated posts on its service establishment responsible for both the EIA commenting and the spatial and land use planning functions. The human resource capacity baseline within local municipalities in the District comprises of only 3 staff (one Specialist and 2 interns) located in the Msunduzi Local Municipality. No capacity exists for compliance monitoring or enforcement in the District Municipality. Current human resource capacity in Ehlanzeni District Municipality comprises six staff.

74. While biodiversity priorities are incorporated into the uMgungundlovu District Municipality's IDP and biodiversity is also recognised as a priority by the Msunduzi Local Municipality, municipal decisions regarding infrastructure spend and placement do not take biodiversity considerations or ecosystems into account. This District has just finalised a SEA, therefore proper alignment will be incorporated in the 2014/15 IDP and the SDF that is currently under review. The situation differs in Ehlanzeni District Municipality where decisions regarding infrastructure spend and placement do not factor biodiversity considerations or ecosystems into account; and the SDFs identify conservation areas. However, the integration between the IDP and the SDF is not well synchronized to identify projects annually in IDP's that address priority conservation areas.

75. South Africa has established a formal legal framework with different levels of commitment to support biodiversity stewardship programmes which promote the protection of biodiversity on private and communal land. Table 3 summarises the different types of private conservation areas in South Africa and how they relate to the GEF conservation targets.

Table 3 Relationship between the GEF5 targets and the formally accepted South African Protected Area Categories

Level of Biodiversity Protection	Category	Description
Secured Stewardship (As a result of long term contracts signed under NEMPAA land is formally recognized as contributing to South Africa's protected area expansion targets.)	Nature Reserve	Provides the highest level of protection with strict restrictions on land use and long term security. Declared under Protected Areas Act most agreements 99 years.
	Protected Environment	Often involves multiple land owners and a range of biodiversity compatible land use. Also declared under the Protected Areas Act but the agreements usually 10-30 years.
Land under better management	Biodiversity Agreement/ Biodiversity Management Agreement	Allows for compatible land use and is shorter term (5-10 years). Sustainable land management is supervised and supported. Currently Biodiversity Agreements are signed under contract law usually with the Provincial Conservation Agency but new legislation under the Biodiversity Act has been developed which will facilitate the establishment of Biodiversity Management Agreements.
	Conservation Area or Biodiversity Partnership Area	An informal, non-binding agreement is reached between the landowner and conservation authority.

76. Baselines with regard to biodiversity secured through stewardship, in respect of both private and communal landownership, secured under the Protected Areas Act in the four target districts are summarized in the following table:

Table 4 Summary of hectares of land secured by the end of 2013 through stewardship agreements within the target Districts on private and communal land

Target District	Area (ha) formally protected
Amathole District Municipality	0[10]
Cape Winelands District Municipality	4,118[11]
Ehlanzeni District Municipality	26,604[12]
uMgungundlovu District Municipality	10,518[13]
Total	**41,240**

[10] In the Eastern Cape Province, Nature Reserves on private and communal land protect 24,341ha and a Protected Environment protects a further 82,588ha but there are currently none within the Amathole District Municipality.
[11] In the Cape Winelands District Municipality, Nature Reserves on private and communal land protect 4,118ha.
[12] In Ehlanzeni District Municipality, Nature Reserves on private and communal land protect 25,744ha and a further 860ha is protected by a Protected Environment.
[13] In uMgungundlovu District Municipality, Nature Reserves on private and communal land protect 8,264 ha, Protected Environments secure a further 2,254ha.

77. No communal lands supported with stewardship agreements exist in the uMgungundlovu District Municipality. However, in Ehlanzeni District Municipality there is already a small community project with the Mndawe Trust which is a Protected Environment and covers 860ha. The majority of the reserves managed by MTPA, have been subject to successful land claims and are owned by the community but are managed by agreement by the MTPA. Likewise, in Amathole District Municipality, the Dwesa Cebe area has been subject to a successful land claim but is managed by ECPTA. In the Cape Winelands District Municipality, a Biodiversity Agreement on 40 ha containing critically endangered Breede River Fynbos and the geometric tortoise has been signed with land reform recipients establishing Fynbos Wyn en Vrugte. Further areas are in negotiation with Klipfontein land reform recipients and in Gendendal with the community

78. Currently the baseline for support to communal small growers in the forestry sector in Amathole, uMgungundlovu and Elhanzeni District Municipalities is that 0 ha have been secured in these areas. However, some work has been initiated. For example, in Amathole District Municipality work is currently underway towards establishing a Protected Environment of 4300ha with a natural component of 2300ha around Hogsback. In Ehlanzeni District Municipality some work has been done towards establishing a formal reserve on SAPPI land but it is for sale and nothing has been formalised yet. The management plans would either have to be implemented or transferred depending on the relative speed of the declaration and sale. There is however nothing currently underway within the uMgungundlovu District Municipality.

79. There were 0 ha secured through sustainable management support for small scale sugar growers in uMgungundlovu District Municipality.

80. The baseline with regard to landowner stewardship agreements in the fruit sector is that 0 ha have been secured for pomes and all other fruit excluding wine grapes. In Cape Winelands District Municipality there are currently 153 BWI members with a total footprint of 109 814 ha of this, 18 730ha are targeted for upgrade to a WWF Landowner Stewardship Agreement. The current breakdown of protection within this area is provided in the Table below.

Table 5 Summary of the area under better management within the target districts by the end of 2013

Target District	Area (ha) protected on private and communal land
Amathole District Municipality	0[14]
Cape Winelands District Municipality	22,924[15]
Ehlanzeni District Municipality	0[16]
uMgungundlovu District Municipality	4,704[17]
Total	**44,455**

81. No landowners have signed conservation stewardship contracts and made use of current tax incentives (one application to do so has been made).

82. Investments at National Level: The National Treasury contributes in excess of US$200 million to DEA and SANBI in support of policy formulation, land use regulation, compliance monitoring, enforcement and sustainable use at the national level. Further allocations from National Treasury to the land use decision-making and enforcement in the National Departments of Water Affairs, Forestry and Fisheries, and Agriculture add to this baseline.

83. Investments at Provincial Level: At the provincial level, National Treasury allocates approx. US$150 million annually to the land use permitting, regulatory and sustainable land use functions of provincial planning departments and conservation agencies. At the provincial level, further allocations are made to other regulatory authorities, including the Departments of Agriculture and Economic Development.

[14] There is no private or communal land currently in managed under Biodiversity Agreements in Amathole District Municipality.
[15] In the Cape Winelands District Municipality, Cape Nature has secured 20,443ha under Biodiversity Agreements and BWI supports a further 2481ha in Voluntary Conservation Areas.
[16] In Ehalanzeni District Municipality there are currently no ha which are formally recognised as being under better management.
[17] In uMgungundlovu District Municipality KZN Wildlife supports Biodiversity Agreements on 4,704ha.

PART II: Strategy

PROJECT RATIONALE AND POLICY CONFORMITY

Fit with the GEF Focal Area Strategy and Strategic Programme

84. The project is in line with the GEF Biodiversity Focal Area Strategic Objective Two: Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors.

85. The Project will contribute to the achievement of the GEF's outcome indicators under the following strategic programme areas:

Table 6 GEF focal area outcome and indicators

GEF 5 BIODIVERSITY FOCAL AREA OBJECTIVE	EXPECTED FOCAL AREA OUTCOMES	EXPECTED FOCAL AREA OUTPUTS	PROJECT CONTRIBUTION TO INDICATORS
Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors	Outcome 2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation. Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks	Output 1. Policies and regulatory frameworks (3) for production sectors Output 2. National and sub-national land-use plans (3) that incorporate biodiversity and ecosystem services valuation Output 3. Certified production landscapes and seascapes (2 million ha).	Indicator 2.1: Landscapes and seascapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (e.g. FSC, MSC) measured in hectares and recorded by GEF tracking tool. Indicator 2.2: Polices and regulations governing sectoral activities that integrate biodiversity conservation as recorded by the GEF tracking tool as a score.

Rationale and summary of GEF Alternative

86. Despite interventions since 1994 to improve the capacity to manage biodiversity, South Africa is still experiencing very high rates of biodiversity loss. The drivers of this loss are in part socioeconomic, with high levels of poverty and unemployment. Municipalities play an important role as centers of economic growth and service delivery, and are important users of biodiversity. However, municipalities require

strengthening and support to manage ecosystems, work with landowners and communities, and to facilitate co-ordination between municipalities and other institutions which regulate land and natural resources use. This project is designed to address these particular challenges.

87. The project will work in four District Municipalities in global biodiversity hotspots and national priority areas for biodiversity conservation that are under threat: the Amathole, Ehlanzeni, Cape Winelands and uMgungundlovu District Municipalities

88. The project is in line with GEF Biodiversity Focal Area, ***Strategic Objective 2:*** *(i.e. Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors*). It will specifically contribute to ***Outcome 2.1***: (*Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation) by* improving land and natural resource management practices by private and communal land owners to ensure that they are 'biodiversity friendly', by securing and implementing biodiversity stewardship agreements on private and communal land, improving financing mechanisms and incentives for biodiversity stewardship and the capacity to implement these incentives, and by developing and implementing biodiversity management plans for threatened and heavily traded medicinal plant species and one priority ecosystem. It will contribute to ***Outcome 2.2:*** (*Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks)* by: ensuring regulatory frameworks governing land use at the municipal scale incorporate criteria to avoid/ prevent, minimize and/ or offset unavoidable impacts on biodiversity, and the capacity of authorities and environmental professionals to apply these criteria is improved; ensuring that municipal land use planning, management and decision making reflect biodiversity priorities; and financial mechanisms and incentives are enhanced to encourage greater investment in biodiversity and ecosystem services and support job creation and sustainable economic development.

89. The project is also in line with UNDP Country Programme *Component II: Climate Change and Greening South Africa's Economy***;** Outcome 2 on harnessing *of South Africa's biodiversity resources to address sustainability whilst creating economic opportunities*. This outcome focuses on strengthening nature-based options for poverty reduction and employment generation, while also assisting South Africa to strengthen its role as a knowledge and policy hub for pro-poor biodiversity management.

90. The project is further aligned with the following UNDP strategic outcomes for the period 2014-2017:
    - Sustainable human development is embedded substantively in development debate and action at all levels.
    - Growth is inclusive and sustainable, incorporating productive capacities that create livelihoods for the poor and excluded.
    - Countries are able to reduce and manage risks of conflict and natural disasters, including from climate change.[18]

[18] UNDP Strategic Plan: 2014-17: Changing with the World. First Draft. New Work, 9 April 2013. p 4.

91. UNDP is the lead agency within the United Nations (UN) system helping countries to develop capacity for biodiversity management. With 40 years of transformational work in biodiversity management, and building on an established global network of country offices and regional centres, UNDP has been supporting countries to shape and drive biodiversity management for sustainable development—driven by national commitments, needs and priorities. through country-specific interventions, from national to local scales, More specifically, UNDP works directly with countries to integrate biodiversity into poverty reduction, development planning and economic sectors through: (a) developing capacity at the individual, institutional and systemic levels to remove barriers to, and identify new options for, effective governance and finance for biodiversity and ecosystem management and (b) assisting countries to identify, access, combine and sequence environmental finance to address the biodiversity and ecosystem financing gap, mobilize pro-poor markets for ecosystem goods and services, and generate sustainable livelihoods.

92. Last but not least, UNDP has a wealth of experience in supporting biodiversity management projects in South Africa. Past and ongoing projects implemented through the UNDP Country Office include the CAPE project, the Agulhas Biodiversity Initiative, The National Grasslands Programme, to mention a few.

93. The current practices and planned alternatives to be put in place by the Project are summarized in the table below.

94. The GEF alternative would result in 223,464 ha of biodiversity priority areas in global biodiversity hotspots in South Africa being conserved including: Albany Thicket Biome: 11470 ha; Forest Biome: 5194 ha; Grassland Biome: 84104 ha; Indian Ocean Coastal Belt: 18716 ha; Savannah Biome: 64980 ha; and Fynbos Biome: 39000 ha. It would lead to an improvement in the structural and functional connectivity between patches of natural habitat in the landscape while promoting the restoration and improved management of critical biodiversity areas, an increase in 'biodiversity-friendly' production sectors within and outside of stewardship sites, and retard the rate of loss of biodiversity. Threats to heavily traded indigenous medicinal plants would be reduced through better management. Moreover, the GEF alternative would create new jobs and livelihood options for communities, boosting the 'green economy' and supporting the country's New Growth Path. This alternative would also assist the country in meeting its global biodiversity targets.

PROJECT GOAL, OBJECTIVE, OUTCOMES AND OUTPUTS/ACTIVITIES

95. The project's goal is to **enhance the sustainable and effective conservation of globally significant biodiversity in South Africa through exploring, piloting and implementing innovative mechanisms and approaches to mainstreaming biodiversity and ecosystem services into the regulation and management of land and resource use in the landscape at the municipal scale.**

96. The project objective is to mitigate multiple threats to biodiversity by increasing the capabilities of authorities and landowners to regulate land use and manage priority biodiversity at the municipal scale.

97. To achieve the above objective, significant barriers, identified in the barrier analysis (see Section I, Part I), will have to be overcome to address the problem and its root causes. With this in mind the project's intervention has been organised in two components (also in line with the concept presented at PIF stage) and takes an integrated approach to biodiversity mainstreaming at the municipal scale.

98. The two components are as follows:

Component 1: Land Use Management, Regulation, Compliance Monitoring and Enforcement; and
Component 2: Conservation and Sustainable use of Biodiversity on Private and Communal Land.

99. The site interventions will be undertaken by provincial government departments and conservation agencies. While implementation will be undertaken by distinct agencies, linkages and learnings between these agencies and the different spheres of government will be facilitated through a shared learning network.

100. The outcomes proposed in respect of Components 1 and 2 and the outputs necessary to achieve the outcomes are captured below in table format. This is followed by a description of the high-level activities necessary to support the achievement of each of the outputs and outcomes.

Component 1: Land Use Management, Regulation, Compliance Monitoring and Enforcement

101. Component 1 focuses on biodiversity mainstreaming within the regulatory framework for land and natural resource use and consists of a wide range of different interventions at different levels and in different areas. Whilst they may appear disconnected, they are all aimed at improving mainstreaming in the bigger system recognising that, without interventions in all parts of that system, it is unlikely that mainstreaming would be successful. Accordingly the outcomes of Component 1 are clustered into two distinct 'baskets': One of these baskets, or cluster of outcomes, focusses on the regulatory process and capacity with regard to land and natural resource use across the national and provincial spheres of government within three of the four target districts (outcomes 1.1 and 1.2), whereas the other is more specifically directed to decision making, implementation and investment in respect of land and natural resource use at municipal scale (outcomes 1.3 and 1.4).

Table 7 Component 1 outcomes and outputs

OUTCOMES	OUTPUTS
Outcome 1.1 Regulatory processes for land and natural resource use management incorporate criteria to prevent/minimise and offset impacts on biodiversity (*Indicator 1.1: Regulatory processes incorporate biodiversity criteria in two District Municipalities*)	Output 1.1 1.1.1. Coordination mechanism for land and natural resource use regulation and compliance monitoring in place, functional and comprises of the relevant national, provincial and municipal regulatory authorities in Ehlanzeni and Cape Winelands District Municipalities; 1.1.2. Land and natural resource use application information requirements of the relevant regulatory authorities are amended to consider biodiversity priorities and incorporate the mitigation hierarchy to avoid / mitigate / off set impacts on biodiversity; 1.1.3. Policy support provided and guidelines developed to ensure biodiversity priorities are integrated into assessment and decision making for land and natural resource use that affects biodiversity and ecosystem services; and 1.1.4. Compliance monitoring and enforcement of land and natural resource use authorisations reflect biodiversity priorities.
Outcome 1.2 The capacity of staff of regulatory authorities and other environmental planning professionals to apply criteria to prevent/minimise and offset impacts on biodiversity, is improved *(Indicator 1.2: Capacity to apply biodiversity criteria evident among regulatory authorities and environmental and planning professionals, as indicated by survey to be conducted with key personnel at start and end of project)*	Output 1.2 1.2.1 Capacity development that includes training for regulatory authorities is undertaken and institutionalised; 1.2.2 Capacity development on biodiversity priorities for environmental and planning professionals and communities is undertaken; and 1.2.3 Capacity to monitor and enforce compliance with biodiversity permit/ authorisation conditions, and/ or identify and successfully prosecute, land use and natural resource crimes, is in place.
Outcome 1.3 Municipal land use planning, management and decision making integrate biodiversity priorities *(Indicator 1.3: Municipal land use planning frameworks in two target District Municipalities incorporate biodiversity criteria)*	Output 1.3 1.3.1 Relevant Protocols that guide the implementation of the Spatial Planning and Land Use Management Act SPLUMA in Ehlanzeni & uMgungundlovu District Municipalities include biodiversity priorities; 1.3.2 Environmental layers are incorporated into

OUTCOMES	OUTPUTS
	Integrated Development Plans that comply with protocols developed under SPLUMA; 1.3.3 SPLUMA compliant Land Use Management Systems which contribute to improved land use regulation are developed; and 1.3.4 Municipal decisions on infrastructure placement incorporate the mitigation hierarchy to avoid-mitigate-offset impacts on biodiversity.
Outcome 1.4 Financial mechanisms and incentives are enhanced in order to encourage greater investment in biodiversity and ecosystem services and support job creation and sustainable economic development *(Indicator 1.4: At least one new funding mechanism in place, increasing resource allocation)*	Output 1.4 1.4.1 Public sector funding mechanisms that increase resource allocation to biodiversity management are investigated and piloted and the case for them is made to National Treasury.

102. The following paragraphs expand on each of the four Component 1outcomes and describe the outputs and high-level activities necessary to achieve these outcomes.

Outcome 1.1: Regulatory processes for land and natural resource use management incorporate criteria to prevent/minimise and offset impacts on biodiversity

103. This outcome will address key regulatory and institutional challenges in mainstreaming biodiversity considerations and priorities in land and natural resource use planning, regulation and compliance processes and policy frameworks within the national and provincial spheres of government. Currently, land and natural resource use and management is governed by a multitude of policy and legislative frameworks and do not make adequate provision for incorporating biodiversity into spatial and land use planning frameworks or the regulation of land and natural resource use and management. Accordingly, the uptake and interpretation of spatial biodiversity tools, such as bioregional plans, and of biodiversity information in decision making is inadequate. This in turn results in the degradation and loss of critical biodiversity areas and ecosystem services.

104. Outcome 1.1 will be achieved through the following outputs and high-level activities.

Output 1.1.1 Coordination mechanism for land and natural resource use regulation and compliance monitoring functions amongst national, provincial and

municipal regulatory authorities mandated to govern land and natural resource use in place in Ehlanzeni and Cape Winelands District Municipalities;

Establish an intergovernmental cooperation forum to support the land and resource use authorities in the Ehlanzeni District Municipality that serves as a platform for considering development applications requiring authorisations or permits and coordinating decision making between the affected authorities on such applications. The provincial environmental authority, DEDET will lead the process in setting and coordinating the work of the intergovernmental cooperation forum which will include representatives from key national departments, such as DAFF, DRDLR and DWA, the provincial department of agriculture, MTPA, Inkomati Catchment Authority and the district and six local municipalities. It will provide a model that can be rolled out in other districts and nationally.

Create a cooperation framework to facilitate government support programmes aimed at communities on land reform and communal trust lands which is operationalized at municipal scale and develop a system for streamlining the various authorization processes needed to undertake agricultural and forestry activities through the use of appropriate biodiversity spatial tools. This activity will be implemented in the uMgungundlovu District Municipality.

Facilitate the implementation of the Memorandum of Understanding, known as the "Virgin Land Cooperation Agreement", to streamline the development application assessment and authorisation processes of the provincial environment department, conservation agency and national and provincial agriculture departments in Cape Winelands District Municipality in respect of virgin (uncultivated) lands. It will include streamlining compliance monitoring of authorisations.

Output 1.1.2 Land and natural resource use application information requirements of the relevant regulatory authorities are amended to consider biodiversity priorities and incorporate the mitigation hierarchy to avoid / mitigate / offset impacts on biodiversity;

Review information requirements contained in the development application forms/templates of the relevant regulatory authorities and amend these forms/templates to capture information that specifically addresses biodiversity priorities and the biodiversity mitigation hierarchy. This activity will take place in Ehlanzeni District Municipality. This template could be replicated in other districts and nationally.

Technical support will also be provided to communal small growers in the forestry sector in uMgungundlovu District Municipality to ensure that

applications for authorization include biodiversity priorities and incorporate the mitigation hierarchy.

Facilitate engagement between regulatory authorities in Amathole District Municipality, in particular Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) and the Department of Agriculture, Forestry and Fisheries (DAFF), to improve capacity to implement the "toolbox" available to regulate land use and management in priority areas. This engagement will focus on the regulatory decision-making processes and alignment with municipal planning processes.

Output 1.1.3 Policy support provided and guidelines developed to ensure biodiversity priorities are integrated into assessment and decision making for land and natural resource use that affects biodiversity and ecosystem services;

Develop biodiversity guidelines for selected sectors on how to incorporate biodiversity priorities in the assessment and decision making process, to inform environmental authorisations and conditions of authorisation. These guidelines will also serve to guide the appeal review process.

Support conservation agencies with the review of EIA applications and provision of comments to the provincial environment department. This activity will take place in Ehlanzeni District Municipality.

Ground truth FEPAs to improve their use in recommendations for Water Use Licencing authorisations. The Project will work with BOCMA and DWA to include FEPAs in drafting and gazetting water resource quality objectives in the Cape Winelands District Municipality.

Develop and roll out ecosystem guidelines for one selected biome (savanah or thicket).

Investigate and recommend appropriate legislative reforms to the regulation of agricultural production and land use under CARA. This will address the maintenance of biodiversity and ecosystem functioning and ensure sustainable agricultural resource management. Test and pilot, where appropriate, recommendations for the introduction of new tools or measures (such as area wide planning, permit controls, streamlining the review and decision making procedures with those for environmental and water authorisations, and integrated compliance monitoring). The testing and piloting of legislative reforms could be done through the regulatory support work planned in the Ehlanzeni District Municipality and as part of the implementation of the "Virgin Land Cooperation Agreement" intervention planned in the Cape Winelands District Municipality.

Output 1.1.4 Compliance monitoring and enforcement of land and natural resource use authorisations reflect biodiversity priorities.

Support the provincial environment department with the development and implementation of a compliance and enforcement register. The register will serve to monitor and track the success of compliance monitoring and enforcement interventions with the regard to the impact that illegal activities and non-compliance with conditions of authorisation have on biodiversity. This activity will take place in Ehlanzeni District Municipality.

Develop an integrated system, including a register, for compliance monitoring and enforcement of the illegal transformation of land in the Cape Winelands District Municipality.

This work will help the relevant provincial departments identify what measures are needed to improve assessment, authorisation, compliance monitoring and enforcement of development applications; and how to draft conditions of authorisation that are more effective and incorporate the mitigation hierarchy to ensure that biodiversity priorities are addressed and biodiversity and ecosystems are not negatively impacted. Findings on levels of compliance and follow up will be fed back into the assessment and decision making process and used to inform future drafting of more effective authorisations and conditions.

Outcome 1.2 The capacity of staff of regulatory authorities and other environmental planning professionals to apply criteria to prevent/ minimise and offset impacts on biodiversity is improved

105. Outcome 1.2 will deal with the need to increase regulatory authorities' capacity to carry out their functions more effectively and efficiently with regard to biodiversity. It also addresses capacity development and training of all the key players involved in land and natural resource regulation and management to ensure that there is an adequate understanding of biodiversity and the role it plays in safeguarding biodiversity and ecosystem and thus the delivery of key ecosystem services.

106. The outputs and high-level activities necessary to achieve Outcome 1.2 are described below.

Output 1.2.1 Capacity development that includes training for regulatory authorities is undertaken and institutionalised.

Training for regulatory officials on: a) what the minimum requirements for biodiversity information are; b) how to consider biodiversity information in decision making and apply the mitigation hierarchy (avoid / mitigate / offset impacts on biodiversity); and c) how to formulate robust, auditable and enforceable conditions in land and resource use decisions.

Training environmental case officers on the use of biodiversity informants (including FEPAs), the application of the mitigation hierarchy and the formulation of conditions of authorization in the assessment and decision making process in Ehlanzeni and the Cape Winelands District Municipalities.

Training for municipal officials on the interpretation and incorporation of biodiversity priorities (including FEPAs) and ecosystem services into spatial and land use planning and decision making in Ehlanzeni and uMgungundlovu District Municipalities.

Capacity development and training will also be extended to officials within other departments and divisions as well as political office bearers in selected target District and Local Municipalities.

Capacity development and training content will be integrated into relevant curricula and training programmes of the various regulatory authorities including DAFF, DWA, DEA, and the District Municipalities, SALGA and COGTA.

Output 1.2.2 Capacity development on biodiversity priorities for environmental and planning professionals and external stakeholders is undertaken

Develop capacity among communal small growers in the forestry sector in uMgungundlovu District Municipality on the use of the biodiversity screening tool.

Develop capacity among environmental and planning professionals on the incorporation of biodiversity priorities and ecosystem services in land and resource use authorisation processes in Ehlanzeni and Cape Winelands District Municipalities.

Training for environmental and planning professionals on the incorporation of biodiversity priorities, interpreting FEPAs and other biodiversity layers and including these and ecosystem services into SDFs and IDPs.

Provide capacity building and training to EAPs and landowners on existing (fynbos and grasslands) and newly developed ecosystem guidelines.

Output 1.2.3 Capacity to monitor and enforce compliance with biodiversity permit/ authorisation conditions, and/ or identify and successfully prosecute, land use and natural resource crimes, is in place.

Capacity development and training of compliance and enforcement officers within authorities and conservation agencies in Cape Winelands and Ehlanzeni District Municipalities to improve the capacity of these institutions with regard to:

a) the clearer definition and description of land and resource use crimes that impact on biodiversity; and
b) recognising land and resource use crimes that impact on biodiversity and the ability to refer such matters for prosecution

Improved capacity across institutions to work collaboratively to identify crimes and apprehend and refer offenders for prosecution, through the creation and strengthening of cross institutional coordination mechanisms that enable the sharing of information between institutions, systems to support tracking of crimes, and an improved science policy interface.

Outcome 1.3: Municipal land use planning, management and decision making integrate biodiversity priorities

107. Outcome 1.3 will address integration of biodiversity priorities and the provision of ecosystem services in municipal land use planning, management and decision making processes. The rationale underpinning this outcome is that land use and strategic plans which have taken biodiversity and ecosystem services into account assist decision making on 'downstream' projects. It is important to 'get it right' at the strategic planning level since the lower order instruments, such as EIAs, should be guided by higher-order plans.

108. Outcome 1.3 will be achieved through the following outputs and high-level activities:

Output 1.3.1 Relevant Protocols that guide the implementation of the Spatial Planning and Land Use Management Act SPLUMA in Ehlanzeni & uMgungundlovu District Municipalities include biodiversity priorities

Develop and pilot national protocols for producing the environmental layer of SDFs that include biodiversity priorities. This activity is aimed at producing SDFs that are credible with regard to the integration of biodiversity and other environmental management priorities. This work will be conducted in collaboration with DEA and support DRDLR implementation of SPLUMA.

Output 1.3.2 Environmental layers are incorporated into Integrated Development Plans that comply with protocols developed under SPLUMA.

Provide technical assistance to planning authorities with the interpretation and integration of biodiversity layers into IDPs and SDFs. This includes biodiversity layers such as FEPAs, and other products that ensure the

incorporation of biodiversity priorities and ecosystem services into IDPs and SDFs. This activity will be piloted in local municipalities in two target districts.

Support and strengthen capacity within uMgungundlovu District Municipality's environmental unit. This activity will include assisting planners with the integration of the biodiversity layer with the infrastructure layers in the SDF to produce an integrated plan; making the biodiversity layer more user-friendly for land use planners; assisting planners with the interpretation and refinement of biodiversity information into a format that provides clear biodiversity and environmental controls for land use planning purposes. The support will further assist planners in identifying conflicts between biodiversity, water and agriculture layers in the SDF and negotiating agreement on how to deal with these conflicts in land use planning and decision making.

Support and strengthen capacity within Ehlanzeni District Municipality to monitor alignment of local SDFs with the District biodiversity layer and sustainability goals and objectives.

Output 1.3.3 SPLUMA compliant LUMS which contribute to improved land use regulation are developed

This output will provide technical assistance to the planning authorities to develop LUMS that take biodiversity priorities and ecosystems services into account and comply with environmental protocols under SPLUMA. The key interventions under this output will focus on selected Local Municipalities in Ehlanzeni and uMgungundlovu District Municipalities and the Drakenstein Local Municipality in Cape Winelands District Municipality.

The work in Drakenstein Local Municipality will focus on the integration of the four existing land use zoning schemes into a single Integrated Zoning Scheme. This will integrate biodiversity priorities in the formal zoning scheme regulations applicable to all properties within the jurisdiction of the municipality.

Support local municipalities in Ehlanzeni and uMgungundlovu District Municipalities to integrate biodiversity priorities in their Land Use Management Schemes; and to produce a set of clear and robust environmental controls (bylaws) for land use.

Output 1.3.4 Municipal decisions on infrastructure placement incorporate the mitigation hierarchy to avoid-minimise-offset impacts on biodiversity.

Service delivery implementation interventions that are aimed at ensuring municipal decisions on infrastructure placement incorporate the mitigation hierarchy to avoid-minimise-offset impacts on biodiversity. These interventions will target particular service delivery areas, such as water services provision, disaster risk reduction and management in Ehlanzeni District Municipality and the implementation of the Strategic Environmental Management Plan (SEMP) priorities in uMgungundlovu District Municipality. Interventions will focus on yielding tangible results with regard to impacts on biodiversity and ecosystem services. This activity is linked to, and will be supported by, piloting the funding mechanism envisaged under output 1.4.2 described below.

Establish appropriate biodiversity learning networks for local government. This could include establishing a biodiversity mainstreaming specialist group with the Economies of Regions Learning Network of the Government Technical Advisory Centre and a South African Local Government Biodiversity Network involving SANBI, ICLEI, SALGA and DEA to promote recognition within municipalities that ecosystem services are a valuable and important asset.

Outcome 1.4: Financial mechanisms and incentives are enhanced in order to encourage greater investment in biodiversity and ecosystem services and support job creation and sustainable economic development

109. The rationale underpinning this outcome is that by illustrating the financial and economic gains to be had from incorporating ecosystem services it will ultimately lead to increased national funding allocations to municipalities for investment in ecosystem services projects and increased budget allocations to investment in ecosystem services projects within municipalities.

110. The outputs and high-level activities necessary to achieve this outcome are described below.

Output 1.4.1 Public sector funding mechanisms that increase resource allocation to biodiversity management are investigated and piloted and the case for them is made to National Treasury.

Investigate and recommend appropriate changes to the Water Pricing Strategy for Raw Water, promulgated by the Department of Water Affairs, which would allow for the generation of adequate and sustainable funds for investment in ecological infrastructure. In addition, this work will test and pilot the generation of financial flows from the water pricing strategy.

Investigate and pilot a funding mechanism to encourage increased resource allocation to the management of ecosystem services and promote investment in innovative municipal infrastructure projects that incorporate ecosystem services. This will focus on identifying and catalyzing increased and/or additional funding allocations to municipalities from national and municipal sources for ecosystem services projects. The funding mechanism will be piloted in selected district municipalities and their local municipalities. This activity is linked to, and will be supported by, the service delivery implementation interventions described under outcome 1.3 above.

Approach the Green Fund and other funding sources (such as NRM) to explore the leveraging of additional funding for ecological infrastructure projects. Engagement with the Green Fund and other funds/grant programmes is further intended to build on existing studies, such as the work done on developing a financing framework for climate change projects as part of the study on *Increasing Investment in Climate Change Related Projects at the Sub National Level* undertaken by the Western Cape Department of Environmental Affairs and Development Planning and National Treasury's Technical Assistance Unit, and to facilitate dialogue, knowledge transfer, sharing case studies and lessons learned, and, where appropriate, to promote alignment between the project and funding programmes.

The work done in relation to this activity will be recorded to develop a case to National Treasury that highlights the financial and economic benefits to local government of investing in the management of ecosystem services.

Component 2: Conservation and Sustainable use of Biodiversity on Private and Communal Land

111. This Component focuses on improving the management of land and natural resources in the landscape, to ensure that it is sustainable and enables priority biodiversity to persist in a healthy functioning state. To this end, a number of interventions are envisaged, namely:

- Improving the security and protection status of landscapes in which priority biodiversity is found, through forging partnerships for conservation;
- Understanding and improving the way that species or ecosystems are utilised, in such a way that their status is preferably improved, and at minimum does not deteriorate;
- Providing technical and other support, guidance, codes of practice and/ or management plans for land and natural resource users, to assist them in the sustainable use of these resources and the safeguarding of biodiversity; and

- Improving 'follow up' practices through better monitoring and adaptive management, and ensuring that any conditions of permitting or authorization are effectively implemented.

Table 8 Component 2 outcomes and outputs

OUTCOMES	OUTPUTS
Outcome 2.1 Improved security for biodiversity priority areas *(Indicator 2.1: New biodiversity stewardship agreements cover 62,464 ha of biodiversity priority areas)*	Output 2.1 2.1.1 Biodiversity stewardship agreements are negotiated and/or concluded on private and communal land in Amathole, Ehlanzeni and uMgungundlovu District Municipalities.
Outcome 2.2 Biodiversity management of threatened medicinal plant species and priority ecosystems enhanced *(Indicator 2.2: Biodiversity management plans that reflect appropriate norms and standards for 3 medicinal plant species and 1 priority ecosystem in place)*	Output 2.2 2.2.1 Biodiversity management plans that include sustainable use and harvesting thresholds developed for 3 threatened and heavily traded medicinal plant species; and 2.2.2 The development of a biodiversity management plan is piloted and tested for one priority ecosystem.
Outcome 2.3 Pressure on biodiversity is reduced through better land and natural resource management practices implemented by private and communal land owners. *(Indicator 2.3:* *- Biodiversity considerations integrated into sector standards in 3 production sectors* *- 161 000ha under better land and natural resource use management through adherence by producers to new sector standards)*	Output 2.3 2.3.1 Better land and natural resource management practices are implemented by private and communal land owners in and outside stewardship areas in Amathole, Cape Winelands, Ehlanzeni and uMgungundlovu District Municipalities. 2.3.2 Biodiversity considerations are integrated into national or international codes of conduct/ production standards/certification systems for the fruit, sugar and forestry sectors in Cape Winelands and uMgungundlovu District Municipalities.
Outcome 2.4 Financing mechanisms and incentives for biodiversity stewardship improved and capacity to implement incentives is strengthened. *(Indicator 2.4: At least one funding mechanism or tax incentive in place for biodiversity stewardship)*	Output 2.4 2.4.1 Innovative funding model to expand financial resources for stewardship programmes piloted; 2.4.2 Enhanced income tax deduction incentives for conservation stewardship in place; and 2.4.3 Build capacity among financial/tax advisors and stewardship staff with regard to what the incentives offer and how they can be accessed and applied.

Outcome 2.1: Improved security for biodiversity priority areas

112. Outcome 2.1 focusses on securing biodiversity priority areas through the implementation of biodiversity stewardship agreements on private and communal land, with a view to securing 62 464 hectares of biodiversity priority areas. This will include hectares secured through negotiation with land owners, submitted for declaration and/or declared.

113. The outputs and high-level activities necessary to achieve this outcome are described below.

Output 2.1 Biodiversity stewardship agreements are negotiated and/or concluded on private and communal land in Amathole, Ehlanzeni and uMgungundlovu District Municipalities.

This output will be achieved by implementing the following activities to secure stewardship agreements. Consult stakeholders and negotiate Stewardship Agreements, which includes the identification and assessment of priority areas for stewardship and consultation with Land Claims Commission and land claimants. Formalise the consent to declare the property, which includes providing recommendations for formal stewardship agreements to the relevant MEC to initiate the formal declaration process in terms of National Environmental Management: Protected Areas Act. The MEC then makes the decision whether or not to declare property as a nature reserve or protected environment. Finally, the declaration of the property as a nature reserve or protected environment is published in the Government Gazette.

The planned stewardship interventions include:

- Stewardship expansion in Kaapsehoop – Sudwala Caves – Schoemanskloof area in Ehlanzeni District Municipality;
- Stewardship expansion interventions along the Sunshine Coast under both private and communal landowners in Amathole District Municipality; and
- Secure communal and private land of critical biodiversity and develop tools and procedures to maintain biodiversity stewardship sites in uMgungundlovu District Municipality.

Outcome 2.2: Biodiversity management of threatened medicinal species and priority ecosystems enhanced

114. This outcome focuses on developing biodiversity management plans for three threatened and heavily traded medicinal plant species and one priority ecosystem. The development of biodiversity management plans for three threatened and heavily traded medicinal plant species will be undertaken in line with the proposed national strategy

development process for threatened medicinal plant species. This strategy is to be developed by the scientific authority.

115. The outputs and high-level activities necessary to achieve this outcome are as follows.

Output 2.2.1 Biodiversity management plans that include sustainable use and harvesting thresholds developed for three threatened and heavily traded medicinal plant

This output will be achieved by drawing up biodiversity management plans for three threatened and heavily traded medicinal plant species. The selection of these three species is dependent upon the findings and outcomes of the national strategy development process for threatened and heavily traded medicinal plant species. This process will be undertaken by the Scientific Authority and commence prior to project implementation. The work will be undertaken in partnership with the relevant conservation agency/ies depending on the selection of species in line with the national strategy recommendations.

The specific steps to be undertaken in achieving this output are as follows: Appoint service providers and identify district stakeholders who are to be involved in developing the management plans; conduct resource assessments for the three species to determine how many populations remain for each species and what each population's status is; conduct research on sustainable harvest methods for these three medicinal plant species; consultation with all stakeholders in the development of the medicinal plant species management plan; and pilot the implementation of the management plans to identify what modifications are needed.

Output 2.2.2 The development of a biodiversity management plan is piloted and tested for one priority ecosystem

This output will be achieved by drawing on the Norms and Standards for Biodiversity Management Plans for Ecosystems (BMP-E) that are currently being prepared for publication in the Government Gazette. The selection of the priority ecosystem will be determined in consultation with the relevant conservation agencies and stakeholders in the target districts. The process involved in developing a biodiversity management plan for a priority ecosystem comprises the following five compulsory phases: feasibility check; preparation phase; development; review of the draft BMP-E to ensure that it is consistent with the requirements of the Norms and Standards; and submission to the Minister of Environmental Affairs for approval and publication.

Outcome 2.3: Pressure on biodiversity is reduced through better land and natural resource management practices implemented by private and communal land owners.

116. This outcome addresses the reduction of pressure on biodiversity and ecosystem services through the introduction and promotion of better land and natural resource management practices. It will be implemented over 161 000 ha of priority biodiversity land and involve both private and communal land owners. It comprises two outputs. One focuses on achieving better land and natural resource management practices through 'self-regulation'; and the second focuses on the achievement of the outcome through the use of codes of conduct, standards and certification systems.

117. The outputs and high-level activities necessary to achieve this outcome are described below.

Output 2.3.1 Better land and natural resource management practices are implemented by private and communal land owners in and outside stewardship areas in Amathole, Cape Winelands, Ehlanzeni and uMgungundlovu District Municipalities.

This output will be achieved by implementing the following activities.

Support, including capacity building, to communal small growers engaged in multi land use forestry enterprises in communal areas that protect ecosystem services and priority biodiversity values. This activity will focus on better land management in communal areas in uMgungundlovu District Municipality.

Better land and natural resource management practice support, including capacity building, to communal farmers and land owners on communal land in the Vaalhoek/ Morganzon/Blyde/Pligrims Rest area of Ehlanzeni District Municipality.

Provide on-going support, including capacity building, to landowners with the development and implementation of biodiversity-friendly policies and management plans on stewardship sites in Amathole District Municipality.

Secure important conservation areas in landowner stewardship agreements to complement the conservation agency's stewardship programme and targeted stewardship work in critically endangered and endangered habitats in the Cape Winelands District Municipality;

Support, including capacity building, a sustainable sugar and catchment management project (uMngeni Midlands North Sustainable Sugar and Catchment Stewardship) in uMgungundlovu District Municipality.

Output 2.3.2 Biodiversity considerations are integrated into national or international codes of conduct/production standards/ certification systems for the fruit, sugar and forestry sectors in Cape Winelands and uMgungundlovu District Municipalities.

This output will be achieved by implementing the following high-level activities.

Mentoring, including capacity building, and forest certification work on private and communal land in uMgungundlovu District Municipality.

Develop and implement guidelines for sustainable fruit production to be incorporated into Fruit South Africa's ethical standard, Sustainability Initiative South Africa (SIZA). The environmental standard will be reviewed and benchmarked, through a global equivalence, using the Global Social Compliance Programme. Actively support fruit producers with dedicated extension services to support the uptake and roll out of sustainable production practices. This will include the on-farm piloting of the guidelines, regional farmer study groups and deploying extension support to participating farms.

Implement better land management practices through the implementation of the Sustainable Sugar Farms Management System to all sugar cane growers in the Noodsberg, Wartberg and Dalton area from Albert Fall Dam down to the escarpment at the start of the Valley of 1000 Hills in the uMgungundlovu District Municipality. This work includes farm management plan, monitoring and baseline progress tracking and implementation of natural resource management measures such as alien clearing, wetland and riparian restoration.

Outcome 2.4: Financing mechanisms and incentives for biodiversity stewardship improved and capacity to implement incentives is strengthened

118. The biodiversity stewardship model has proven to be highly cost effective, and uptake within biodiversity priority areas has significantly contributed to national targets. Despite this, biodiversity stewardship programmes are massively underfunded limiting the country's ability to reduce the loss of globally significant biodiversity. Experience in a number of provinces has shown that the major obstacle to increasing areas under biodiversity stewardship agreements is not a lack of willing landowners, but rather a lack of funding supporting the provincial implementing authorities. Accordingly this outcome explores means of harnessing funds for biodiversity and ecosystem service provision from sectors that are not traditionally sources of biodiversity funds. The following outputs and high-level activities are designed to achieve this outcome.

Output 2.4.1 Innovative funding model to expand financial resources for stewardship programmes piloted

This output will be achieved by implementing the following high-level activities. Identify key channels of funding sources to flow into biodiversity stewardship programmes. Set up an institutional mechanism for funds to be moved from a sector into biodiversity stewardship. Integrate the prioritisation of ecosystem service provision into existing biodiversity stewardship

programmes. Integrate ecosystem services rehabilitation and management activities into biodiversity stewardship management plans. These activities will focus at the national level, and feed into provincial stewardship programmes in the target districts.

Output 2.4.2 Enhanced income tax deduction incentives for conservation stewardship in place

Research the legal and tax incentives to understand why landowners are not taking up the existing incentives. Based on the research findings provide advice and recommendations on how to improve the tax deduction incentive and how best to accommodate such a provision in the legislation.

Output 2.4.3 Build capacity among financial/tax advisors and stewardship staff with regard to what the incentives offer and how they can be accessed and applied

Develop and implement guidelines, in support of the implementation of output 2.4.2, on how landowners can benefit from tax based biodiversity incentives; and build capacity among tax professionals and landowners on the utilization of these incentives.

COST-EFFECTIVENESS

119. Pressures on biodiversity in South Africa continue to increase and are set to rise further. Without urgent action, globally important biodiversity is at risk. In addition, failing to act now will result in greater difficulties and substantially higher costs in securing biodiversity goals assuming that this remains possible at all.

120. One potential approach to biodiversity mainstreaming would be for the State to purchase and control all land that is needed to meet biodiversity conservation targets. In a country such as South Africa, with enormous development pressure and demands on scarce resources, coupled with high alpha, beta and gamma diversity, the consolidation of sufficient biodiversity into protected areas, plus the ongoing costs related to their management, would not be a viable protection strategy on its own. If applied in such a way it would not only ultimately fail to reach conservation targets, the constrained amount that would be achieved would come at significantly higher cost than are necessary.

121. The project approach that has been selected recognises these challenges and builds alternatives. It recognises that significant biodiversity will remain in the custodianship of private and communal landholders, and the imperative of supporting and incentivising the conservation and sustainable management of these resources. At the

same time, it also recognises that without effective land use regulation, compliance monitoring and enforcement, with adequate penalties for non-compliance, a system of co-management and incentives would not be sufficient to reduce and reverse current rates of biodiversity loss.

122. The approach is not only considered a realistic means of achieving conservation goals in the South Africa context, it is also the preferred approach from a cost-effectiveness point of view. In essence, it allows for the harnessing of the energies and willingness of the majority of landholders to participate in achieving conservation goals given the appropriate incentives to do so. These incentives come at a very low cost relative to land purchase, are arguably less disruptive to the economy and provide economic opportunities of their own such as job creation. The project approach also recognises that, with the help of certain focused and relatively low cost adjustments, state institutions involved in land use regulation can be made substantially more effective in reaching biodiversity goals. For example, in the Western Cape, a detailed study (Frazee et al, 2003) showed that the Rand value of land under biodiversity stewardship contracts was about R1.15 billion (54,793 ha with a value of R2,100/ha). However, it was demonstrated that the cost of securing these areas in partnership with landowners was R2,73 million or (R50/ ha). Other studies have demonstrated similar trends. Thus, even at an estimated cost of R100/ha, the 280,002ha of priority biodiversity sites could be secured at a cost of R28 million, at least an order of magnitude less than direct land purchase and management

PROJECT CONSISTENCY WITH NATIONAL PRIORITIES/PLANS

123. This project is a result of extensive consultations at national and local level that have taken place over the past 18 months with key stakeholders to define the priorities for programming the GEF 5 Biodiversity Focal area allocation. It is in line with several national policies and strategies most importantly, the National Development Plan Vision for 2030 that recognizes that natural resource management, economic growth and poverty alleviation are closely intertwined; and The Environmental Management: Biodiversity Act (Act 10 of 2004) which recognizes, among other things, that biodiversity conservation involves working beyond the boundaries of formal protected areas across production and communal landscapes. Linked to this is Presidential National Outcome 10 that calls for Municipalities to play a key role in the valuation, protection and enhancement of environmental assets and natural resources. Municipalities are also playing a key role in implementation of the New Growth Path, a broad framework launched by the Government in 2010 with a goal of creating five million jobs and reducing unemployment from 25% to 15% over the next 10 years19 through among other things, substantial investment in infrastructure. The Presidential Infrastructure Co-ordination Commission (PICC), established in July 2011 has been tasked to speed up infrastructure delivery across municipalities in South Africa to better facilitate economic growth, job creation and service delivery. Underpinning the built infrastructure required to deliver these job creation targets is “ecological infrastructure”

[19] Read more: http://www.southafrica.info/business/economy/policies/growth-271010.htm#ixzz22Zyi7QQs

- the biodiversity and ecosystems that facilitate the production of ecosystem goods, the distribution of ecosystem products, and the provision of ecosystem services to society. The escalating costs of maintaining built infrastructure and addressing climate change and other natural disasters (floods, fires, etc) underscores the important role of natural infrastructure in mitigating natural disasters and facilitating implementation of the New Growth Path for South Africa. This project supports on-going efforts by the South Africa National Biodiversity Institute (SANBI) to show how maintenance and sustainable use of healthy intact ecosystems can deliver jobs and economic growth.

124. The project will contribute to the realisation of biodiversity targets for terrestrial and aquatic ecosystems at national and municipal level set by the National Biodiversity Assessment (NBA 2011). It will also respond to the National Strategy for Sustainable Development (2011-2014) strategic priorities, namely sustaining our ecosystems and using natural resources efficiently, working towards a green economy, and responding effectively to climate change.

125. Last but not least the project will contribute to the CBD Nagoya Aichi Targets, specifically **Target 2**: (*Biodiversity values integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems by 2020)*; and, **Target 7**: (*Areas under agriculture, aquaculture and forestry managed sustainably, ensuring conservation of biodiversity by 2020).*

COUNTRY OWNERSHIP: COUNTRY ELIGIBILITY AND COUNTRY DRIVENNESS

126. The Republic of South Africa ratified the Convention on Biological Diversity (CBD) on 2nd January 1995.

127. South Africa published its National Biodiversity Strategy and Action Plan (NBSAP) in 2005. National targets, aligned with the Aichi Biodiversity Targets, have already been developed and incorporate outcomes contained in the existing NBSAP (2005). Along with the National Biodiversity Assessment (2011), these documents serve as the basis for the National Biodiversity Framework (NBF) which is updated every five years, as required by the Biodiversity Act. The NBF identifies 33 priority actions to guide the work of the biodiversity sector to 2013.

128. The Global Environment Facility (GEF) presents South Africa with a vehicle for advancing global environmental objectives within the context of national development policies and programs. South Africa has signed and ratified all key international conventions pertaining to biodiversity conservation, including the Convention on Biological Diversity, Ramsar, CITES, and World Heritage Convention, as well as the Framework Convention on Climate Change (1997) and the Convention to Combat Desertification (1997), and ratified the Biosafety Protocol in 2003.

129. Most recently, South Africa has become the 12th country globally to ratify the international Nagoya Protocol to protect the country's biological diversity and associated traditional knowledge. The protocol sets out how countries can access each other's resources and how the benefits should be shared.

SUSTAINABILITY AND REPLICABILITY

Environmental sustainability:

130. South Africa has made impressive progress towards achieiving environmental sustainability; however, much still remains to be done to integrated biodiversity effectively into economic and social development. Pioneering work in the area of biodiversity has focused on analyses of the aggregate economic value of South Africa's ecosystem services. More recently, the government has used cost-benefit analyses to calculate direct and indirect damage-related costs associated with extreme weather events, climate trends and water shortages (OECD 2013[20]). Soil degradation alone costs South Africa an average of nearly US$ 256 million annually in dam sedimentation and increased water treatment costs. The costs associated with neutralizing the effects of acid rain (caused by energy generation) on soils in Mpumalanga are estimated at US$ 3.2 million per year, while the loss of soil nutrients through degradation costs US$ 192 million per year. Alien invasive plants have a significant negative impact on the country's natural ecosystems and water resources: a conservatively estimated R6.5 billion worth of water related ecosystem services is lost each year as a result of invasive alien plants. A "Diagnostics Report" released by the National Planning Commission in June 2011 identified and analysed an over-reliance on natural resources as one of nine primary challenges facing South Africa's economy.

131. To address the significantly negative impacts that alien invasive plants have on the country's natural ecosystems and water resources, Government introduced Natural Resource Management (NRM) Programmes that focus on for example, riparian zones, wetlands and mountain catchments. Investment in the NRM Programme has increased over the years and the total NRM 2013/14 expenditure of R1.565 billion is broken up as follows:

Table 9 NRM Programmes 2013/14 Budget

PROGRAMME	TOTAL ESTIMATED EXPENDITURE PER PROGRAMME (2013/14)
Working for Water	R908 359 000
Working for Wetlands	R87 000 000

[20] OECD (2013), *OECD Environmental Performance Reviews: South Africa 2013*, OECD Publishing. *http://dx.doi.org/10.1787/978926202887-en*

PROGRAMME	TOTAL ESTIMATED EXPENDITURE PER PROGRAMME (2013/14)
Working on Fire	R468 418 000
Working for Ecosystems	R95 517 000
Working for Forests	R6 075 000
Total	**R1 565 369 000**

132. The project's proposed investment in biodiversity-friendly production practices in conservation-compatible sectors in Districts with high levels of poverty and high levels of biodiversity will secure and build South Africa's natural capital and provide a foundation for resilience and growing opportunities for reducing poverty and enhancing human quality of life. The project's focus on improving consideration of biodiversity and ecosystem services in development, land and natural resource permitting by municipalities and other regulatory authorities will help to direct development to areas best suited for that development, and reduce risks of natural disasters. In addition, better management would stimulate 'green jobs' in support of the green economy, promoting environmental sustainability.

133. Financial sustainability: The project addresses financial sustainability through piloting the incorporation of biodiversity management and conservation priorities into IDPs and related municipal budgets in target districts; and strengthening capacity and skills within partner institutions in target districts. In addition, financial sustainability is addressed by improving incentives for biodiversity stewardship and strengthening capacity to implement these incentives on privately owned land; and identifying alternative long term funding sources for biodiversity management.

134. Social sustainability: South Africa is faced with widespread poverty and gross inequality. In 2009 the Presidency reported that 49% of South African's live below the national poverty line ($2.3/day) and 39% of South Africans on less than $1.6/day. With most of South Africa's wealth being held by private individuals, the government's response to rising unemployment and wide spread poverty is an overt focus on job creation and economic growth, with increasing pressure being placed on agriculture and industry to provide jobs for South Africans. Biodiversity, the foundation of South Africa's economy, supports the production of ecosystem services that are essential to economic development. This is particularly true in the Cape Winelands, Ehlanzeni, uMgungundlovu and Amathole Districts, where high levels of poverty mean that communities and marginal farmers depend directly on healthy ecosystems to maintain their livelihoods. The value of ecosystem services so far measured in South Africa is conservatively estimated at US$ 9 billion per annum (or 7% of GDP). In the target districts, this estimate is expected to be higher due to the high level of dependence of local communities and marginal farmers on healthy ecosystems. In light of this,

biodiversity is viewed as an increasingly important component of the green economy approach, relevant for service delivery in both rural and urban development contexts. In addition to the land management practices needed to ensure that biodiversity friendly, economic opportunities can be capitalised on, biodiversity based markets can create jobs in related activities such as data collection; monitoring and evaluation of land management programmes; the management of seed banks and living collections; decision support centres; community based natural resource management; management of invasive species and labour intensive watershed management linked to payment for ecosystem services projects. A conservative estimate of traditional economic activities directly reliant on ecosystem services, excluding informal use of ecosystem services by rural households, indicates an annual contribution of R27.2 billion and 1,025,830 jobs to the South African economy. This includes formal sector contributions from the conservation management, expanded public works environmental management programmes, fisheries, forestry and hunting sectors. These figures are based on limited data from available public records and are not indicative of the entire sector. In addition, the tourism sector in South Africa, which is directly supported by biodiversity, was responsible for 7% of jobs and 8.3% of the Gross Domestic Product of South Africa in 2007. Furthermore, more than 12 million people are directly dependent on products harvested directly from nature for their livelihoods in rural areas across South Africa. The 2011 Census has not yet been published with the latest figures, but there has been a growth in the sector and figures are expected to be higher for 2012. Trade in traditional medicines was estimated at R2.9 billion per year in 2007, with at least 133 000 people employed in the trade, many of whom are rural women. In addition, women make up more than 70% of the small growers in the small scale and communal forestry sector and hold leadership positions in community structures in the rural areas. These women would benefit from skills and capacity development interventions planned under Component 2 of this project.

Institutional sustainability

135. South Africa has a range of policies and programmes aimed at biodiversity mainstreaming. However, progress in implementation is hindered by a lack of staff and operating budget capacity; key institutional constraints in the biodiversity sector are the lack of sufficiently skilled and experienced managers, in particular in provincial and local governments (e.g. OECD 2013). In addition, the existence of concurrent national, provincial and local competences for some environmental management issues has created multiple coordination, co-operation and capacity problems, and environmental governance challenges are particularly acute in the domains of land use and water resources management. Also, there is insufficient co-ordination between requirements for planning approval (such as the need for an activity to be consistent with land-use zoning) and for an environmental authorisation (OECD 2013).

136. There is a strong commitment by government to invest in municipalities to ensure they deliver on the New Growth Path – particularly on job creation and licensing of new infrastructure. A policy and institutional framework for mainstreaming biodiversity into land use planning already exists. The project will improve capacity of all regulatory authorities that impact on biodiversity at the municipal scale and support the embedding

of this by developing sustainable mechanisms for institutional cooperation and coordination between spheres of government, civil society and the private sector that deliver improved regulatory efficiencies and effectiveness. This project is part of a package of various biodiversity-mainstreaming investments in Southern Africa supported by UNDP GEF; UNDP will ensure linkages and knowledge transfer between projects.

Replicability

137. Many of the components of the proposed Project resonate well with the recommendations of the OECD (2013) report on South Africa, and their replicability is thus supported. According to the OECD South Africa needs, amongst others, to focus on:
    - Reinforcing mechanisms for integrating biodiversity considerations into sectoral policies by strengthening the analysis of the impacts of sectoral policies on biodiversity; identifying and considering how to reform fiscal incentives; and expanding the use of biodiversity offsets and integrating them into the permitting and licensing systems, particularly for major infrastructure and extractive industry projects, among other activities.
    - Extending biodiversity stewardship programmes to support a broader range of ecosystems; and support the diversification of rural livelihood options, especially in agriculturally marginal areas;
    - Expanding the use of Payment for Ecosystem Services type schemes, focusing in areas where the benefits for ecosystems and the livelihoods of local communities are greatest; and
    - Further extending and strengthening partnerships with NGOs and the private sector; and work with the financial sector to support biodiversity by strengthening access to capital for the provision of biodiversity services and products, among other activities.

PART III: Management Arrangements

IMPLEMENTATION ARRANGEMENTS

138. This project will be implemented in all three spheres of government - national, provincial and local - and involve different institutions including national and provincial departments, provincial conservation agencies, catchment management authorities, district and local municipalities and non-governmental organisations. In the provincial and local spheres implementation will be focussed in the four target districts, Amathole, Cape Winelands, Ehlanzeni and uMgungundlovu. Accordingly, to ensure the achievement of project objectives and following UNDP guidelines for nationally executed projects, the management arrangements have been designed to provide for coordination and close collaboration among project partners and key stakeholders.

139. At the national level there are two key role players, the national Department of Environmental Affairs (DEA) and the South African National Botanical Institute

(SANBI). SANBI has been assigned as executing agency for the biodiversity mainstreaming project with overall responsibility for project implementation over the five year period and will thus stand accountable for both project and financial management.

140. SANBI was established in terms of section 10 (1) of the National Biodiversity Management: Biodiversity Act, Act 10 of 2004. It is a public entity registered as a schedule 3A entity in terms of the Public Finance Management Act, Act 1 of 1999, and reports through its Board to the Minister of Environmental Affairs via the DEA. SANBI provides scientific advice and information on biodiversity to DEA and coordinates and facilitates bioregional programmes in South Africa.

141. As Executing Agency SANBI will sign the grant agreement with UNDP and will be accountable to UNDP for the disbursement of funds and the achievement of the project objective and outcomes according to the approved work plan. In particular, the Executing Agency will be responsible for the following functions: (i) coordinating activities to ensure the delivery of agreed outcomes; (ii) certifying expenditures in line with approved budgets and work-plans; (iii) facilitating, monitoring and reporting on the procurement of inputs and delivery of outputs; (iv) coordinating interventions financed by GEF/UNDP with other parallel interventions; (v) approval of Terms of Reference for consultants and tender documents for sub-contracted inputs; and (vi) reporting to UNDP on project delivery and impact.

142. Project implementation will however be managed in close collaboration with the organs of state at the district level, in other words the respective provincial environment departments (DEDET and DEADP), provincial conservation agencies, ECPTA, MTPA and EKZNW), district and local municipalities in the target districts (EDM, CWDM, UDM and Drakenstein Local Municipality), NCT Forestry Cooperative Limited and WWF-SA.

143. To facilitate oversight and direction regarding project implementation, SANBI will take responsibility for establishing and maintaining a Project Steering Committee which will be comprised of representatives of all the project partners on the basis of a Terms of Reference which will be negotiated at project launch. It is envisaged that the UNDP will also serve on this PSC. The PSC will direct and steer the project.

144. SANBI will establish a Mainstreaming Technical Unit (MTU) comprising of the Project Coordinator (Mainstreaming Technical Project Leader), who will lead the MTU, three technical advisors (Regulatory Advice: Land and Resource Use Programme Manager, Planning Advice: Land and Resource Use Programme Manager and Stewardship Programme Manager) and a technical officer tasked with Learning Network & Communications. The MTU team will be responsible for providing technical leadership to the project, managing and coordinating project activities, providing oversight on the day to day operations of the project, communications, monitoring and evaluation of project performance, reporting and serve as secretariat for the PSC. In addition, SANBI will establish a Project Management Unit (PMU) to provide the necessary

administrative support for the day to day running of the project and procurement services to the project. The PMU will comprise of three staff, namely the Finance Manager, Finance and Procurement Administrator and Admin Assistant. The Finance Manager and Admin Assistant will be co-financed by SANBI and not funded through the project.

145. The Terms of Reference for key staff are included in Annex 2. They will be contracted to serve the project for a period of between 4 & 5 years. The Programme Manager and the Finance and Procurement Administer will be employed 66 (sixty six) months to allow for project closure. Terms of Reference are provided only for key staff and not for staff secondments to project partners or short term consultants as it is essential that the Mainstreaming Technical Project Leader takes responsibility for the recruitment of all other staff and procurement of consulting services in close collaboration with the PSC and/or the relevant agency representatives at the time that such staff or services are to be procured. This is to ensure that recruitment and procurements dynamics that prevail at the time are taken into account and reflected into the Terms of Reference.

146. SANBI will delegate the responsibility of project oversight to a relevant official in their executive committee who will be responsible for providing day-to-day supervision of the Mainstreaming Technical Project Leader, while also serving as the Chair for the PSC.

147. SANBI will provide suitable office space for the PMU & MTU staff on full-time service contracts, as well as the necessary office furniture and support services.

148. The project partners, to whom staff on full-time service contracts are seconded, will likewise take responsibility for designating an official to provide day-to-day supervision of these staff, for providing office space, and where appropriate the coordination of the procurement of office equipment from the grant. It is likely that such an official will also serve on the PSC.

149. All PMU staff on full-time contracts at the national level will be answerable to the Mainstreaming Technical Project Leader, while staff seconded on full-time contracts at the agency level will be directly answerable to the designated agency official, but with a reporting line to the Mainstreaming Technical Project Leader to ensure consolidated reporting back to the PSC and the UNDP.

150. Regular feedback and communication on progress with project implementation will be maintained through the PSC and MTU reporting structures at district and thematic level. The thematic structures will address the regulatory framework, planning, stewardship and land under better management areas of work. Where possible, the project will make use of existing structures, such as the National Stewardship Technical Working Group. Where no structures exist, new technical working groups will be established. These technical Working Groups to be established include working groups for municipal planning and regulatory advice.

PROJECT MANAGEMENT

Project Oversight

151. Oversight of project activities will be the responsibility of the Project Steering Committee (PSC). Day-to-day operational oversight will be ensured by UNDP, through the UNDP Country Office in South Africa, and strategic oversight by the UNDP - GEF Regional Technical Advisor (RTA) responsible for the project.

Project Management at the central level

152. The project will be coordinated by the Project Steering Committee (PSC) and the Mainstreaming Technical Project Leader supported by the MTU and PMU staff based at SANBI.

Project Management at the district level

153. Implementation at the district level will be the direct responsibility of the relevant agencies involved in particular interventions. The number of agencies involved will differ from district to district with some being more complex than others. These details are provided in Section II and have also been alluded to under the Section on "Implementation Arrangements" above (paragraph 135).

Project accounting and procurement processes

154. SANBI will serve as the executing agency responsible for undertaking the Fiduciary responsibilities of the project. Some of the partners may operate different accounting systems, but they shall maintain sound financial records in accordance with applied accounting standards acceptable to SANBI. A separate project account in South African Rands will be opened.

155. SANBI must comply with South African public finance legislation (Public Finance Management Act, Act 1 of 1999) and procurement procedures and will adhere to the relevant requirements under this Act.

PART IV: Monitoring Framework and Evaluation

MONITORING AND REPORTING[21]

156. The project will be monitored through the following monitoring and evaluation (M& E) activities. The M& E budget is provided in the table below.

[21] As per GEF guidelines, the project will also be using the BD 1 Management Effectiveness Tracking Tool (METT). New or additional GEF monitoring requirements will be accommodated and adhered to once they are officially launched.

Key Monitoring and Evaluation activities

Project start-up

157. A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

158. The Inception Workshop should address a number of key issues including:
    a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.
    b) Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.
    c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.
    d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.
    e) Plan and schedule Project Board meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Board meeting should be held <u>within the first 12 months</u> following the inception workshop.

159. An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly

160. Quarterly monitoring and reporting activities include:

- Progress made shall be monitored in the UNDP Enhanced Results Based Managment Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical).
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.

- Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Annually

161. Annual Project Review/Project Implementation Reports (APR/PIR): This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

162. The APR/PIR includes, but is not limited to, reporting on the following:
    - Progress made toward project objective and project outcomes - each with indicators, baseline data and end-of-project targets (cumulative)
    - Project outputs delivered per project outcome (annual).
    - Lesson learned/good practice.
    - AWP and other expenditure reports
    - Risk and adaptive management
    - ATLAS QPR
    - Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

Periodic Monitoring through site visits

163. UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no less than one month after the visit to the project team and Project Board members.

Mid-term of project cycle

164. The project will undergo an independent Mid-Term Evaluation at the mid-point of project implementation. The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization, terms of reference and timing of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the UNDP Evaluation Office Evaluation Resource Center (ERC).

165. The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle.

End of Project

166. An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

167. The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the UNDP Evaluation Office Evaluation Resource Center (ERC).

168. The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

169. During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

Learning and knowledge sharing

170. The project will facilitate two knowledge exchange forums. It is recommended that the first exchange emphasises enhancing learning within the project and that it is held mid-term as part of an adaptive management process. The second exchange should be held at or near termination with a greater focus on sharing lessons beyond the project.

171. In addition, results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. The project will focus on facilitating horizontal learning between different districts and institutions as well as vertical learning between different spheres of government.

172. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

173. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

Communications and visibility requirements

174. Full compliance is required with UNDP's Branding Guidelines. These can be accessed at http://intra.undp.org/coa/branding.shtml, and specific guidelines on UNDP logo use can be accessed at: http://intra.undp.org/branding/useOfLogo.html. Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: http://www.thegef.org/gef/GEF_logo. The UNDP logo can be accessed at http://intra.undp.org/coa/branding.shtml.

175. Full compliance is also required with the GEF's Communication and Visibility Guidelines (the "GEF Guidelines"). The GEF Guidelines can be accessed at: http://www.thegef.org/gef/sites/thegef.org/files/ documents/C.40.08_Branding_the_GEF%20final_0.pdf. Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

176. Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.

Monitoring and Evaluation work plan and budget

Table 9 M&E Activities, Responsibilities, Budget and Time Frame

Type of M&E activity	**Responsible Parties**	**Budget US$** *Excluding project team staff time*	**Time frame**
Inception Workshop and Report	▪ Project Leader ▪ UNDP CO, UNDP GEF	Indicative cost: 5,405	Within first two months of project start up
Measurement of Means of Verification of project results.	▪ UNDP GEF RTA/Project Leader will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.	To be finalized in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on *output and implementation*	▪ Oversight by Project Leader ▪ Project team	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans

Type of M&E activity	Responsible Parties	Budget US$ *Excluding project team staff time*	Time frame
ARR/PIR	▪ Project Leader and team ▪ UNDP CO ▪ UNDP RTA ▪ UNDP EEG	None	Annually
Periodic status/ progress reports	▪ Project Leader and team	None	Quarterly
Mid-term Evaluation	▪ Project Leader and team ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team)	Indicative cost: 32,432	At the mid-point of project implementation.
Final Evaluation	▪ Project manager and team, ▪ UNDP CO ▪ UNDP RCU ▪ External Consultants (i.e. evaluation team)	Indicative cost : 37,838	At least three months before the end of project implementation
Project Terminal Report	▪ Project manager and team ▪ UNDP CO ▪ local consultant	0	At least three months before the end of the project
Audit	▪ UNDP CO ▪ Project manager and team	Indicative cost per year: 9,190	Yearly
Visits to field sites	▪ UNDP CO ▪ UNDP RCU (as appropriate) ▪ Government representatives	For GEF supported projects, paid from IA fees and operational budget	Yearly
M&E and Knowledge exchange Forums	▪ Project manager and team. ▪ All sub project executants ▪ Government representatives	51,351	Mid-point of implementation and at project termination
TOTAL indicative COST *Excluding project team staff time and UNDP staff and travel expenses*		US$ 172, 926	

*Note: Costs included in this table are part and parcel of the UNDP Total Budget and Workplan (TBW) in the PRODOC, and not additional to it. Costs will be shared between UNDP and GEF according to the TBW.

AUDIT CLAUSE

177. Audit will be conducted according to UNDP Financial Regulations and Rules and applicable Audit policies

PART V: Legal Context

178. This document together with the CPAP signed by the Government and UNDP, which is incorporated by reference, constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

179. Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

180. The implementing partner shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

181. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

182. The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

SECTION II: STRATEGIC RESULTS FRAMEWORK (SRF) AND GEF INCREMENT

PART I: Strategic Results Framework, SRF (formerly GEF Logical Framework) Analysis

INDICATOR FRAMEWORK AS PART OF THE SRF

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD:
Country Programme Outcome Indicators: *Component II: Climate Change and Greening South Africa's Economy***;** *Outcome 2 on harnessing of South Africa's biodiversity resources to address sustainability whilst creating economic opportunities;* *Outcome Indicators:* • *Number of green jobs created in all sectors in the economy; and* • *Number of state institutions and non-state actors at 3 spheres of government implementing integrated White Paper policies.*[22]
Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): 1. Mainstreaming environment and energy OR 2. Catalyzing environmental finance OR 3. Promote climate change adaptation OR 4. Expanding access to environmental and energy services for the poor.
Applicable GEF Strategic Objective and Program: Mainstream biodiversity conservation and sustainable use into production landscapes/seascapes and sectors
Applicable GEF Expected Outcomes: Outcome 2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation. Outcome 2.2: Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks
Applicable GEF Outcome Indicators: Indicator 2.1: Landscapes and seascapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (e.g. FSC, MSC) measured in hectares and recorded by GEF tracking tool. Indicator 2.2: Polices and regulations governing sectoral activities that integrate biodiversity conservation as recorded by the GEF tracking tool as a score.

[22] UNDP Country Programme Document for the Republic of South Africa (2013-2017). P6.

Objective/ Outcome	Indicator	Baseline	End of Project target	Source of Information	Risks and assumptions
Objective – To mitigate multiple threats to biodiversity by increasing the capabilities of authorities and land owners to regulate land use and manage priority biodiversity at the municipal scale					
Component 1 – Land and Natural Resource Use Management, Regulation, Compliance Monitoring and Enforcement					
Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks	Indicator 2.2: Polices and regulations governing sectoral activities that integrate biodiversity conservation as recorded by the GEF tracking tool as a score.				<u>Risks</u>: • Poor coordination between institutions and cooperative governance mechanisms and structures with regard to biodiversity-inclusive planning, financing, review and decision making are weak. • Shrinking budgets for natural resource management at provincial and municipal levels. • Poor capacity for extension work, compliance monitoring and enforcement. • Regulatory challenges and blockages <u>Assumptions</u>: • Project partners will work together effectively with one another and key stakeholders to meet objectives • Willing champions of projects will be acceptable to all stakeholders
Outcome 1.1 Regulatory processes for land and natural resource use management incorporate criteria to prevent/minimise and offset impacts on biodiversity (*Indicator 1.1: Regulatory processes incorporate biodiversity criteria in two District Municipalities*)	▪ Coordination mechanism in place ▪ Application forms incorporate biodiversity information ▪ Biodiversity guidelines developed ▪ Database & system for compliance monitoring and enforcement of	▪ No coordination mechanisms ▪ Biodiversity information included in only one target district ▪ Guidelines exist on fynbos, grasslands, mining & biodiversity ▪ Existing compliance and enforcement database and	▪ Intergovernmental cooperation forum and/or framework in two target districts ▪ Biodiversity information included in authorisation application forms of two target districts ▪ Biodiversity guidelines for 1 selected sector & 1 biome ▪ Updated database and integrated compliance and enforcement	National and Provincial competent authorities and conservation agencies	

	authorisations reflect biodiversity priorities	system is not integrated or systematic and does not adequately reflect biodiversity priorities	system in at least 1 target district		• Individual projects will be successful in 'making the case' for biodiversity mainstreaming (i.e. will not be perceived to be 'anti -development') • There is institutional readiness and adequate capacity as a foundation to implement projects and build additional capacity • Project partners are committed to embedding project impact into institutional systems to deliver enduring outcomes • There is mobilisation and participation in learning networks • There is an adequate 'good governance' foundation and management systems in place to minimise institutional risk • Investments will be layered to achieve synergies and traction, value gain - multiple mutually reinforcing gains
Outcome 1.2 The capacity of staff of regulatory authorities and other environmental planning professionals to apply criteria to prevent/ minimise and offset impacts on biodiversity is improved *(Indicator 1.2: Capacity to apply biodiversity criteria evident among*	▪ Number of staff of regulatory authorities applying biodiversity criteria in review and decision making processes ▪ Improvement in capacity of staff in regulatory authorities to apply criteria ▪ Quality of biodiversity information	▪ Zero at project start ▪ Zero at project start ▪ Zero at project start	▪ 20% increase on baseline ▪ 20% increase on baseline ▪ 20% increase on baseline	Provincial competent authorities and conservation agencies	

regulatory authorities and environmental and planning professionals, as indicated by survey to be conducted with key personnel at start and end of project	provided by applicants				
Outcome 1.3 Municipal land use planning, management and decision making integrate biodiversity priorities *(Indicator 1.3: Municipal land use planning frameworks in two target District Municipalities incorporate biodiversity criteria)*	▪ Number of IDPs where environmental layer of SDF is SPLUMA compliant ▪ SPLUMA complaint LUMS which contribute to improved land use regulation	Zero at project start - SPLUMA is promulgated but has not come into force yet - only tracking from project inception	▪ 6 IDPs with environmental layers in the SDFs that are SPLUMA compliant ▪ 1 741 937 ha under improved land use regulation through SPLUMA complaint LUMS in 6 local municipalities	District and local authorities	
Outcome 1.4 Financial mechanisms and incentives are enhanced in order to encourage greater investment in biodiversity and ecosystem services and support job creation and sustainable economic development	▪ Percentage increase in resources allocated to biodiversity management ▪ Number of jobs (including temporary and permanent jobs) created in target municipalities to support ecosystem restoration and	▪ Zero in both target Districts ▪ EDM = 6 UDM = 0	▪ 50% increase in resources allocated to biodiversity management ▪ 600 jobs (including temporary and permanent jobs) created in target municipalities to support ecosystem restoration and	District and local authorities	

(Indicator 1.4: At least one new funding mechanism in place, increasing resource allocation)	maintenance		maintenance		
Component 2 – Conservation and Sustainable use of Biodiversity on Private and Communal Land					
Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation.	Indicator: Landscapes and seascapes certified by internationally or nationally recognized environmental standards that incorporate biodiversity considerations (e.g. FSC, MSC) measured in hectares and recorded by GEF tracking tool.				<u>Risks</u>: • Conflicts between different stakeholder groups • Low level of community willingness to take up the biodiversity economy • Poor coordination and cooperation between institutions • Poor capacity for extension work, compliance monitoring and enforcement. • Regulatory challenges and blockages <u>Assumptions</u>: • Project partners will work together effectively with one another and key stakeholders to meet objectives • Willing champions of projects will be acceptable to all stakeholders • Individual projects will be successful in 'making the case' for biodiversity
Outcome 2.1 Improved security for biodiversity priority areas *(Indicator 2.1: New biodiversity stewardship agreements cover 62,464 ha of biodiversity priority areas)*	Ha of biodiversity priority areas secured: – X Ha under negotiation - X Ha submitted for declaration - X Ha declared	Amathole - 0 ha Cape Winelands - 4,118 ha Ehlanzeni - 7,900 ha uMgungundlovu - 10,500 ha	62 464 ha of biodiversity priority areas secured - 20 000 Ha under negotiation - 14 495 Ha submitted for declaration - 27 969 Ha declared	Provincial conservation agencies, SANBI	

Outcome 2.2 Biodiversity management of threatened medicinal species and priority ecosystems enhanced *(Indicator 2.2: Biodiversity management plans that reflect appropriate norms and standards for 3 medicinal plant species and 1 priority ecosystem in place)*	▪ Number of Biodiversity Management Plans for threatened and highly traded medicinal species (BMP:S) ▪ Number of Biodiversity Management Plans for priority ecosystem (BMP:E)	1 BMP:S for a medicinal plant species (*Pelargonium Sidoides*) Zero BMP:E exist	3 BMP:S 1 BMP:E	Provincial conservation agencies, SANBI	mainstreaming (i.e. will not be perceived to be 'anti-development') • There is institutional readiness and adequate capacity as a foundation to implement projects and build additional capacity • Project partners are committed to embedding project impact into institutional systems to deliver enduring outcomes • There is mobilisation and participation in learning networks
Outcome 2.3 Pressure on biodiversity is reduced through better land and natural resource management practices implemented by private and communal land owners *(Indicator 2.3:* *- Biodiversity considerations integrated into sector standards in 3 production sectors* *- 161 000ha under better land and natural resource use management through*	▪ Number of ha of priority biodiversity areas under better land & natural resource management practices implemented by private and communal land owners ▪ Biodiversity considerations integrated into production sectors	Monitoring baseline: Amathole – 0 ha Cape Winelands – 22,924 ha Ehlanzeni - 0 ha uMgungundlovu – 4,704 ha Codes of practice/ certification standards exist for forestry, wine and red meat commercial sectors Baseline for fruit - 0	▪ 161 000 ha under better land & natural resource management practices ▪ Biodiversity considerations integrated into 3 production sectors for communal/ small growers ▪ 30% of fruit producers from the target district comply with	Provincial conservation agencies, SANBI	• There is an adequate 'good governance' foundation and management systems in place to minimise institutional risk

adherence by producers to new sector standards)		Baseline for sugar - 0 Baseline for forestry – 0	codes of practice/certification standards (SIZA) ▪ 100% of commercial and small scale sugar producers in the target district comply with codes of practice/ certification standards (SUSFarms) ▪ 20% of small grower/communal foresters from the target district comply with codes of practice/ certification standards		
Outcome 2.4 Financing mechanisms and incentives for biodiversity stewardship improved and capacity to implement incentives is strengthened *(Indicator 2.4: At least one funding mechanism or tax*	▪ Amendments made to tax incentives for biodiversity ▪ Number of land owners using tax incentives	Income tax deductions for biodiversity conservation are provided for under section 18A of the Income Tax Act Zero land owners have signed conservation stewardship	▪ Biodiversity tax incentives amended ▪ 5 land owners make use of tax incentives ▪ Guidelines for tax		

incentive in place for biodiversity stewardship)		contracts and made use of current tax incentives	consultants developed		

LIST OF OUTPUTS PER OUTCOME AS PART OF THE SRF

Project's Development Goal: To enhance the sustainable and effective conservation of globally significant biodiversity in South Africa through exploring, piloting and implementing innovative mechanisms and approaches to mainstreaming biodiversity and ecosystem services into the regulation and management of land and resource use in the landscape

Project Objective: To mitigate multiple threats to biodiversity by increasing the capabilities of authorities and land owners to regulate land use and manage biodiversity in threatened ecosystems at the municipal scale	
Outcomes	**Outputs**
1.1 Land and Natural Resource Component 1: Land Use Management, Regulation, Compliance Monitoring and Enforcement	
1.1 Regulatory processes for land and resource use management incorporate criteria to prevent/minimise and offset impacts on biodiversity	Output 1.1 1.1.1. Coordination mechanism for land and natural resource use regulation and compliance monitoring in place, functional and comprises of the relevant national, provincial and municipal regulatory authorities in Ehlanzeni and Cape Winelands District Municipalities; 1.1.2. Land and natural resource use application information requirements of the relevant regulatory authorities are amended to consider biodiversity priorities and incorporate the mitigation hierarchy to avoid / mitigate / off set impacts on biodiversity; 1.1.3. Policy support provided and guidelines developed to ensure biodiversity priorities are integrated into assessment and decision making for land and natural resource use that affects biodiversity and

Project Objective: To mitigate multiple threats to biodiversity by increasing the capabilities of authorities and land owners to regulate land use and manage biodiversity in threatened ecosystems at the municipal scale	
Outcomes	**Outputs**
	ecosystem services; 1.1.4. Compliance monitoring and enforcement of land and natural resource use authorisations reflect biodiversity priorities.
1.2 The capacity of staff of regulatory authorities and other environmental professionals to apply criteria to prevent/ minimise and offset impacts on biodiversity is improved	Output 1.2 1.2.1 Capacity development that includes training for regulatory authorities is undertaken and institutionalised; 1.2.2 Capacity development on biodiversity priorities for environmental and planning professionals and communities is undertaken; and 1.2.3 Capacity to monitor and enforce compliance with biodiversity permit/ authorisation conditions, and/ or identify and successfully prosecute, land use and natural resource crimes, is in place.
1.3 Municipal land use planning, management and decision making integrate biodiversity priorities	Output 1.3 1.3.1 Relevant Protocols that guide the implementation of the Spatial Planning and Land Use Management Act SPLUMA in Ehlanzeni & uMgungundlovu District Municipalities include biodiversity priorities; 1.3.2 Environmental layers are incorporated into Integrated Development Plans to produce Spatial Development Frameworks that comply with protocols developed under SPLUMA; 1.3.3 SPLUMA compliant Land Use Management Systems which contributed to improved land use regulation are developed; and 1.3.4 Municipal decisions on infrastructure placement incorporate the mitigation hierarchy to avoid-minimise-offset impacts on biodiversity.
1.4 Financial mechanisms and incentives are enhanced in order to encourage greater investment in biodiversity and ecosystem services and support job creation and sustainable economic development	Output 1.4 1.4.1 Public sector funding mechanisms that increase resource allocation to biodiversity management are investigated and piloted and the case for them is made to National Treasury.
Component 2: Conservation and Sustainable use of Biodiversity on Private and Communal Land	
2.1 Improved security for biodiversity	Output 2.1

Project Objective: To mitigate multiple threats to biodiversity by increasing the capabilities of authorities and land owners to regulate land use and manage biodiversity in threatened ecosystems at the municipal scale	
Outcomes	**Outputs**
priority areas	2.1.1 Biodiversity stewardship agreements are negotiated and/or concluded on private and communal land in Amathole, Ehlanzeni and uMgungundlovu District Municipalities as follows: • 20 000 Ha under negotiation • 14 495 Ha submitted for declaration • 27 969 Ha declared
2.2 Biodiversity management of threatened species for medicinal purposes and priority ecosystems enhanced	Output 2.2 2.2.1 Biodiversity management plans that include sustainable use and harvesting thresholds developed for 3 threatened and heavily traded medicinal plant species; and 2.2.2 The development of a biodiversity management plan is piloted and tested for one priority ecosystem.
2.3 Pressure on biodiversity is reduced through better land and natural resource management practices implemented by private and communal land owners	Output 2.3 2.3.1 Better land and natural resource management practices are implemented by private and communal land owners in and outside stewardship areas in Amathole, Cape Winelands, Ehlanzeni and uMgungundlovu District Municipalities; and 2.3.2 Biodiversity considerations are integrated into national or international codes of conduct/production standards/certification systems for the fruit, sugar and forestry sectors in Cape Winelands and uMgungundlovu District Municipalities.
2.4 Financing mechanisms and incentives for biodiversity stewardship improved and capacity to implement incentives is strengthened	Output 2.4 2.4.1 Innovative funding model to expand financial resources for stewardship programmes piloted; 2.4.2 Enhanced income tax deduction incentives for conservation stewardship in place; and 2.4.3 Build capacity among financial/tax advisors and stewardship staff with regard to what the incentives offer and how they can be accessed and applied.

Part II: Incremental Reasoning and Cost Analysis

EXPECTED GLOBAL, NATIONAL AND LOCAL BENEFITS

183. South Africa is one of the world's most biodiverse countries making it a very effective place to secure global benefits for conservation. Comprising 1% of the world's land surface it contains a disproportionate 10% of the documented fish, bird and plant species and 6% of the reptile and mammal species. Although investment by the GEF has significantly improved South Africa's capacity to manage its biodiversity there are ongoing pressures for development, particularly in the production landscape. The 2011 National Biodiversity Assessment indicated that 24% of coastal, 40% of terrestrial, 43% of estuarine, 57% of riverine and 65% of wetland ecosystems are threatened, making global conservation targets increasingly difficult to meet. South Africa also has over 2000 medicinal plant species with significant potential benefits for global beneficiation, 56 of these species are considered to be threatened and local extinctions have occurred in highly prized species.

184. The co-incidence of exceptionally high levels of biodiversity together with high levels of threat led the international community to identify three hotspots where urgent intervention is needed namely the Cape Floral Kingdom, the Succulent Karoo and the Maputaland Pondoland Albany. As can be seen from Map 1 the target municipalities cover all three of these hotspots. Over 50% of the surface areas of these municipalities is untransformed but much forms part of the production landscape. In order to conserve the globally significant biodiversity contained in this natural habitat, this project will aim to mainstream biodiversity conservation into production sectors and municipal planning processes. This will make a significant contribution towards the GEF Biodiversity Focal Area Strategic Objective Two: *Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes, Seascapes and Sectors*. It will specifically contribute to Outcome 2.1: (*Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation*) by improving land and natural resource management practices by private and communal landowners. The intervention will also facilitate the incorporation of biodiversity conservation into regulatory frameworks governing land use at a municipal scale contributing to Outcome 2.2: (*Measures to conserve and sustainably use biodiversity incorporated in policy and regulatory frameworks*).

Table 10. Incremental Cost Matrix

Cost/Benefit	Baseline (B)	Alternative (A)	Increment (A-B)
BENEFITS			
Global benefits	The incorporation of biodiversity conservation, sustainable use, and benefit sharing into broader policy, legal, and regulatory	The project will deliver global environmental benefits through a package of measures that ensure future land use practices and permitting decisions do not	The GEF increment will ensure improved management, regulation and compliance monitoring of globally important biodiversity in

Cost/Benefit	Baseline (B)	Alternative (A)	Increment (A-B)
	frameworks is constrained by ineffective governance, weak capacity, conflicting policies, inadequate regulatory frameworks etc. In some countries efforts are hampered due to a lack of awareness of the benefits of biodiversity and the essential services provided by ecosystems.	compromise biodiversity and ecosystem functioning. Measures will include strengthened capacity for avoiding, minimising, remedying and offsetting biodiversity loss, compliance monitoring and enforcement; and incentives for communal and private land holders to engage in production practices that are in line with best practices needed to manage and conserve biodiversity.	South Africa. This in turn will enhance the national contribution to the achievement of the 5 Aichi Strategic Goals and specifically to the following Aichi Biodiversity Targets: • Target 2 on the incorporation of biodiversity values into development and poverty reduction strategies, planning processes and accounting and reporting systems; • Target 3 on the development of positive incentives for the conservation and sustainable use of biodiversity; • Target 7 on the sustainable management of forestry and agriculture areas; • Target 14 on ecosystems that provide essential services; • Target 19 on the sharing and transfer of science and knowledge; and • Target 20 on the mobilization of financial resources
National and local benefits	Without intervention efforts with regard to land use management, regulation and compliance monitoring in South Africa would continue to be constrained in the following ways: • Important biodiversity areas are not reflected in IDPs ; • Poor coordination amongst the various regulatory authorities involved in land and	More specifically, at the national and local level, the following benefits will arise through the planned project activities: Components 1: Land Use Management, Regulation, Compliance Monitoring and Enforcement benefits include: • Biodiversity is reflected in IDPs as an asset, and its conservation and management is recognised to be an important component of reducing the risk of natural	1 741 937 ha under improved land use regulation through complaint Land Use Management Systems in 3 district Municipalities. This will contribute to Aichi target 2

Cost/Benefit	Baseline (B)	Alternative (A)	Increment (A-B)
	natural resource use authorisations either result in delays, issuance without engagement of other key authorities, and / or poor decision making that negatively affects biodiversity. That is, land use authorisations allow conversion and degradation of critical biodiversity, loss of ecosystem function, and decrease in connectivity; • Little or no compliance monitoring or enforcement of permit conditions; and • IDPs make little if any provision for budget and posts to restore, manage and conserve key ecosystems and biodiversity. Within the production landscape the primary challenges both at a global scale and within South Africa include the lack of incentives to encourage economically inefficient uses of ecosystems and species; and the lack of, and/or inadequate implementation of, environmental certification systems that exploit private sector willingness to pay a premium for goods and services whose production, distribution and consumption is certified as sustainable. [23] Without this intervention the conservation and sustainable	disasters in the face of climate change, as well as the Green jobs agenda; • Capacity in place in municipalities and other regulatory authorities to assess impacts of land use permitting decisions on biodiversity and to make decisions that take into account biodiversity, and to put in place a mitigation measure hierarchy of avoiding/ preventing, minimising and/ or offsetting unavoidable impacts; • Strengthened coordination amongst authorities responsible for land and resource use permitting, through establishment of cooperation frameworks; and • Strengthened capacity for compliance monitoring and enforcement. With regard to Component 2: Conservation and Sustainable use of Biodiversity on Private and Communal Land benefits will include: • Stewardship agreements in place with private and communal land holders for the conservation and sustainable use of biodiversity and associated support for conservation; • Biodiversity Management Plans for selected threatened and heavily traded medicinal plant species and a threatened; and • Biodiversity mainstreamed in production standards, certification systems and/ or codes of conduct for production sectors driving biodiversity loss.	223,464 ha of biodiversity priority areas in global biodiversity hotspots in South Africa being conserved including: Albany Thicket Biome: 11470 ha; Forest Biome: 5194 ha; Grassland Biome: 84104 ha; Indian Ocean Coastal Belt: 18716 ha; Savannah Biome: 64980 ha; and Fynbos Biome: 39000 ha. This will contribute to Aichi target 7. Threats to indigenous medicinal plants reduced; and improved structural and functional connectivity between patches of land and a mosaic of land uses. Both will contribute to Aichi target 3.

[23] GEF-5 FOCAL AREA STRATEGIES. p5

Cost/Benefit	Baseline (B)	Alternative (A)	Increment (A-B)
	use of biodiversity on private and communal land in South Africa would continue to be characterised by the following key challenges: • Production practices on private and communal land are not in line with best practices needed to sustain biodiversity; • Private and communal landholders are not adequately engaged in managing biodiversity on their land; and • No incentives for private and communal land owners to convert to biodiversity friendly land use practices		Biodiversity friendly businesses under implementation in 3 district municipalities resulting in reduced conversion rates of natural habitat, new jobs and improved livelihoods for communities. This will contribute to Aichi targets 3 and 7.
COSTS			
Outcome 1: Land use Management, Regulation, Compliance Monitoring and Enforcement	Baseline: $0	Alternative: $2.69 million	GEF 2.69 TOTAL
Outcome 2: Conservation and Sustainable use of biodiversity on private and communal land	Baseline: $0	Alternative: $5.10 million	GEF 5.10 TOTAL
Project Management	Baseline: $0	Alternative: $0.38	GEF .38 TOTAL
TOTAL COSTS	**Baseline: $0**	**Alternative: $8.17 million**	GEF 8.17 UNDP TOTAL $8.17

SECTION III: Total Budget and Workplan

Award ID:	t.b.d.	Business Unit:	ZAF10
Project ID:	t.b.d.	Project Title:	Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale
Award Title:	PIMS 4719	Implementing Partner	SANBI

Project Component/Atlas Activity	Project Sub-Component	Responsible Party/ Implementing Agent	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Amount Year 5 (USD)	Total (USD)	See Budget Note:
COMPONENT 1: Land Use Management, Regulation, Compliance Monitoring and Enforcement	**REGULATORY ADVICE: LAND AND NATURAL RESOURCE USE**	SANBI	62000	GEF	71300	local consultants	116, 524	247, 033	261, 855	243, 445	221, 884	1, 090, 741	1
					72100	contractual services-Companies	29, 189	125,946	143, 784	62, 162	0	361, 081	2
					71600	Travel	12, 916	27, 382	29, 024	30, 122	31, 247	130 ,691	3
					74500	Miscellaneous expenditure	4, 324	3, 784	3, 784	4, 324	4, 324	20, 540	3
					72200	equipment and furniture	3, 243			2, 162		5, 405	3
						sub-total	**166, 196**	**404, 145**	**438, 447**	**342, 215**	**257, 455**	**1, 608, 458**	
	PLANNING ADVICE: LAND AND NATURAL RESOURCE USE	SANBI	62000	GEF	71300	local consultants	65, 362	138, 568	146, 882	155, 695	122, 263	628, 770	4
					72100	contractual services-Companies	21, 622	137, 838	86, 486	67, 568	37, 838	351, 351	5
					71600	Travel	7, 050	14, 946	15, 842	16, 793	17, 800	72, 431	6
					74500	Miscellaneous expenditure	4, 324	3, 784	3, 784	4, 324	4, 324	20, 541	6
					72200	equipment and furniture	3, 243			2, 162		5, 405	6
						sub-total	**101, 601**	**295, 135**	**252 994**	**246, 542**	**182, 226**	**1, 078, 498**	
					COMPONENT ONE SUB – TOTAL		**267, 797**	**699, 280**	**691, 441**	**588, 757**	**439, 681**	**2, 686, 956**	

					71300	local consultants						-	
					72100	contractual services-Companies	122, 703	190, 562	238, 166	186, 373	128, 199	866, 003	7
	STEWARDSHIP	SANBI	62000	GEF	71600	Travel	14, 750	19, 438	20, 604	21, 451	16, 105	92, 348	8
					74500	Miscellaneous expenditure	16, 000	11, 135	11, 135	11, 135	5, 946	55, 351	8
					72200	equipment and furniture	3, 243			2, 162		5, 405	8
						sub-total	**156, 696**	**221, 135**	**269, 905**	**221, 121**	**150, 250**	**1, 019, 107**	
					71300	local consultants						-	
	PRESSURES ON BIODIVERSITY IS REDUCED	SANBI	62000	GEF	72100	contractual services-Companies		10, 811	70, 270	70, 270	43, 244	194, 595	9
					71600	Travel						-	
						sub-total	**0**	**10, 811**	**70, 270**	**70, 270**	**43, 244**	**194, 595**	
					71300	local consultants						-	
					72100	contractual services-Co	162, 811	277, 970	315, 318	330, 753	307, 129	1, 393, 981	10
COMPONENT 2: Conservation and Sustainable use of Biodiversity on Private and Communal Land	**LAND UNDER BETTER MANAGEMENT**	SANBI	62000	GEF	71600	Travel	20, 838	45, 071	48, 562	52, 154	55, 855	222, 480	11
					74500	Miscellaneous expenditure	41, 082	42, 919	41, 297	41, 297	40, 216	206, 811	11
						sub-total	**224, 731**	**365, 960**	**405, 177**	**424, 204**	**403, 200**	**1, 823, 272**	
					71300	local consultants	219, 052	346, 282	367, 059	389, 082	471, 905	1, 793, 380	12
					72100	contractual services-Co	10, 811	31, 686	35, 676	37 838	42, 216	158, 227	13
	MAINSTREAMING TECHNICAL UNIT	SANBI	62000	GEF	71600	Travel	12, 002	12, 722	12, 519	13 271	20, 015	70, 529	14
					74500	Miscellaneous expenditure	2, 703	2, 703	3 243	3 243	3, 243	15, 135	14
					72200	equipment and furniture	15, 676	1, 081	2 162	7 730	1, 081	27, 730	14
						sub-total	**260, 244**	**394, 474**	**420 659**	**451 164**	**538, 460**	**2, 065, 001**	
					COMPONENT TWO SUB – TOTAL		**641, 671**	**992 380**	**1 166 011**	**1 166 759**	**1, 135, 154**	**5, 101, 975**	
PROJECT MANAGEMENT		SANBI	62000	GEF	71300	local consultants	35, 813	37 961	40 240	42 653	45, 213	201, 880	15

UNIT					72100	contractual services-Co	8, 649	8, 648	41, 622	9, 730	47, 568	116, 217	16
					71600	Travel	757	973	1, 189	1, 297	1, 081	5, 297	17
					74500	Training, workshops and conferences	5, 405	2, 162	27, 568	2, 162	28, 108	65, 405	18
					72200	equipment and furniture	-	-	-	-	-	-	
						PMC Sub-total	**50, 624**	**49, 744**	**110 ,619**	**55, 842**	**121, 970**	**388, 799**	
					Project Total		960, 092	1, 741, 404	1, 968, 071	1 ,811, 358	1, 696, 805	8, 177, 730	

BUDGET NOTES

BUDGET NOTES:
GENERAL: An exchange rate of $1:R9.25 has been applied. For all Local Consultants a 6% annual increment has been factored into the budget.
1.Local Consultants Regulatory Advisors into MDEDET and DEADP for a period of 54 months. Regulatory Advise Officers into SANBI (54 months), MDEDET (54 months), MTPA (36 months) and BOCMA (36 months).
2. Contractual services -Companies Contractual services in support of regulatory advise programme of work: for appropriate Technical Support; development of appropriate EIA, Sector, Ecosystem and other guidelines; capacity development, policy engagement
3. Travel, miscellaneous expenditure and equipment and furniture
4. Local Consultants Planning Advisors into Ehlanzeni and uMgungundlovu District Municipalities (54 months) Planning Advise Officer into SANBI (54 months)
5. Contractual services- Companies Contractual services in support of Planning Advise programme of work: for appropriate municipal planning technical support, development of appropriate guidelines; capacity development, policy engagement, small grant funding mechanism to pilot municipal update of investment in maintenance of ecosystem services
6. Travel, miscellaneous expenditure and equipment and furniture
7. Contractual services -Companies Contractual services for securing stewardship targets. Conservation Agencies - MTPA, ECPTA and EKZN Wildlife to be contracted to deliver. Also for investigating new funding mechanisms for stewardship, policy engagement regarding tax reform and capacity development for role out of optimal tax reform for stewardship
8. Travel, miscellaneous expenditure and equipment and furniture for local consultants and contractual services for stewardship targets
9. Contractual services - Companies Contractual services to support development of BMPs for three threatened medicinal plant species and one threatened ecosystem
10. Contractual services- Companies Contractual services to secure land under better management through following sectors: sugar and fruit (WWF-SA) and small scale forestry (NCT)
11. Travel and miscellaneous expenditure for contractual services in support of land under better management targets
12. Local Consultants Mainstreaming Technical Unit responsible of overall technical management of project implementation and include the following positions: Project Leader (66 months), Programme Managers (x3) for Regulatory Advise, Planning Advise, Stewardship and Land under Better Management (54 months); Learning Network Officer (54 months).
13. Contractual services Contractual services in support of Technical Unit including Communcations, learning network and technical support
14. Travel, miscellaneous expenditure and equipment and furniture for local consultants
15. Local consultant: Procurement and Finance Administrator (60 months). Project co-financing: Financial Manager and Project Administrator (SANBI)
16. Contractual Services- Companies Contractual services for Mid-term and Final Assessments as well as annual project audits.
17. Travel for local consultants
18. Training, workshops and conferences for bi-annual steering committee meetings as well as two project Forums to co-incide with Mid-term and Final Assessments.

SECTION IV: ADDITIONAL INFORMATION

PART I: Other agreements

CO-FINANCING LETTERS

-- See separate file—

[filename]

PART III: Stakeholder Involvement Plan

185. The PPG phase included consultations with the project's key stakeholders at the national, provincial and local levels. The regional consultation process included two field trips to each of the all four target districts. The project proposal was presented to national, provincial and local authorities, conservation agencies, and selected non-governmental and community organisations in the four target districts and During and local stakeholders were given the opportunity to engage with the project development process. Follow up trips were made to two districts, Ehlanzeni and uMgungundlovu, to clarify and refine project concepts and activities with project partners. A national workshop was also held to present and discuss the project objectives and strategy, stakeholder involvement plan and management arrangements with project partners and key stakeholders. Several smaller meetings were also facilitated focusing on specific issues where a number of stakeholders needed to develop a collaborative approach identifying specific mechanisms which could best achieve the desired outcomes. For example meetings were held on stewardship and financing mechanisms. In addition, several bilateral meetings were held with key national stakeholders. Generally, project design was a highly participatory process, in line with UNDP's and GEF's requirements.

186. A full Stakeholder Involvement Plan remains however to be prepared upon project inception and this is already an identified activity. For the sake of information and reference, the project's key stakeholders are listed in Table 11 below. Furthermore, it is recognized that optimal results will only be achieved if there is close collaboration and coordination with the numerous other initiatives that are active in this sphere of work.

Table 11. Coordination and collaboration between project and related initiatives

INITIATIVES / INTERVENTIONS	HOW COLLABORATION WITH THE PROJECT WILL BE ENSURED
The Adaptation Fund established under the Kyoto Protocol to fund climate change adaptation projects. SANBI has been designated as the National Implementing Entity. The steering committee also includes DEA and Treasury. In South Africa projects which respond to local pressures and are aligned with policy frameworks are currently being developed.	Coordination between these projects will be driven by SANBI. Potential complementarity in the water sector in the uMgungundlovu district has already been considered during the PIF.
Bioregional programmes - Cape Action for People and Environment (CAPE), Succulent Karoo Ecosystem Programme (SKEP), Grasslands and Eastern Cape Bioregional Programmes, provide a sound basis for cooperative regional governance and support mainstreaming biodiversity into production sectors.	All of these programmes and this project are all coordinated by SANBI. This will facilitate mutual support and integration and will enable this project to leverage the partnerships which underpin the bioregional programmes to facilitate implementation.
Biosphere Reserves: the Ehlanzeni district	There is potential for collaboration with this project

INITIATIVES / INTERVENTIONS	HOW COLLABORATION WITH THE PROJECT WILL BE ENSURED
includes the Kruger to Canyons Biosphere Reserve and Cape Winelands Biosphere Reserve is also recognised by UNESCO. The establishment of the Amathole Mountains Biosphere Reserve is in process). USD 1 million is spent annually to support sustainable development and conservation in these areas. These bodies which are supported by NGOs and CBOs have the potential to serve as a powerful platform for integrated planning and decision making at a local scale.	which will be encouraged through liaison with the local coordination bodies.
Business and Biodiversity Programme: led by *WWF Sustainable Agriculture Programme, Green Choice Alliance* supports the development of improved production methods, and educates retailer and consumer choice.	This project will take established approaches into new commodities (fruit and sugar) in the target districts, supporting businesses to improve biodiversity management. This project will place particular emphasis on supporting sustainability in support of small growers. The guidelines developed by this project will inform industry production standards and thresholds and will be supported by the development of on farm management plans.
Ecological Infrastructure uMngeni Partnership: SANBI, eThekwini Municipality's Water and Sanitation Department, KZN Regional Office of the Department of Water Affairs, uMngeni Water, and Water Service Authorities of the uMgungundlovu District and Msunduzi Local Municipalities together with Private companies (SAPPI, MONDI, Msinsi Holdings), NGOs (WWF-SA, EWT, DUCT, WESSA, Wildlands), Statutory Bodies and Research Institutions (KZN-Wildlife, University of KwaZulu Natal, Water Research Council), and the KwaZulu-Natal Department of Agriculture and Environmental Affairs have established a partnership to promote better collaboration and co-ordination of ecological infrastructure investments for the development of water security in the greater uMngeni catchment.	There is strong potential for collaboration in the uMgungundlovu district which will be facilitated by SANBI.
Economies of Regions Learning Networks (ERLN): supported by TAU involves those working at provincial/city-region level focuses on economic and spatial development practitioners to support economic development. Within this umbrella, the Small Towns Development Initiative is a collaboration between the COGTA and Afrikaanse Handelsinstituut (AHI) and is	Potential for collaboration and learning at a national level and local collaboration is possible in the Nkomazi Local Municipality where the two projects overlap.

INITIATIVES / INTERVENTIONS	HOW COLLABORATION WITH THE PROJECT WILL BE ENSURED
supported by Gesellschaft fuer Internationale Zusammmenarbeit (GIZ) it to support cooperation between local government and local business in specific small towns including Nkomazi.	
The *Environment Sector Local Government Support Strategy* driven by DEA aims improve coordination in local government initiatives in the environment sector, to promote consistency between provinces and to support integration between local and provincial government initiatives.	There is strong potential for collaboration with this project which will be encouraged through liaison with DEA.
The Expanded Public Works Programme (*Working for Water, Working for Wetlands and Working on Fire*) (R 1.1 billion 2012-2014) aims to create socially meaningful work for the unemployed. Many of these jobs are in the green sector.	This project will aim to help this programme become more sustainable by increasing job permanence and enhancing the impact of the work undertaken through a focus on quantifying and enhancing contributions to biodiversity conservation.
Cities support Programme (National Treasury, DEA) provides a framework for improving environmental performance in cities, including fiscal mechanisms to support environmental performance, as well as the inclusion of climate resilience and environmental considerations into municipal planning and engineering while supporting employment creation.	There is strong potential for collaboration with this project both in the target districts and in areas of work with a national focus both of which will be encouraged through liaison with DEA and National Treasury.
ICLEI Local Governments for Sustainability. This large international body supports cities in becoming sustainable, resilient, resource efficient, biodiverse, low carbon; to build smart infrastructure; and to develop an inclusive green economy and has a number of programmes in South Africa ICLEI Africa's core work streams include: Waste, Energy and Climate Change (including Disaster Risk Reduction), Water and Sanitation, Urban Biodiversity, Green Urban Economy, Urban Food Security, Leadership and Governance, and Integrated Urban Planning.	There is potential for mutual support which will need to be pursued through active communication particularly in terms of the member cities which include Buffalo City and the uMgungundlovu District Municipality,
Improving Management Effectiveness of the Protected Area Network this project is to be funded by GEF and implementation is led by SANParks. This project has identified the following priority areas: Richtersveld, Matutaland-Pondoland-Albany Hotspot,	There is spatial overlap between these two GEF funded projects in the Katberg-Amathole-Hogsback region and in the Lowveld node. There is also a common interest in the use of stewardship, offsets, support of ecological infrastructure and integration into municipal planning frameworks. Dialog has already been initiated with

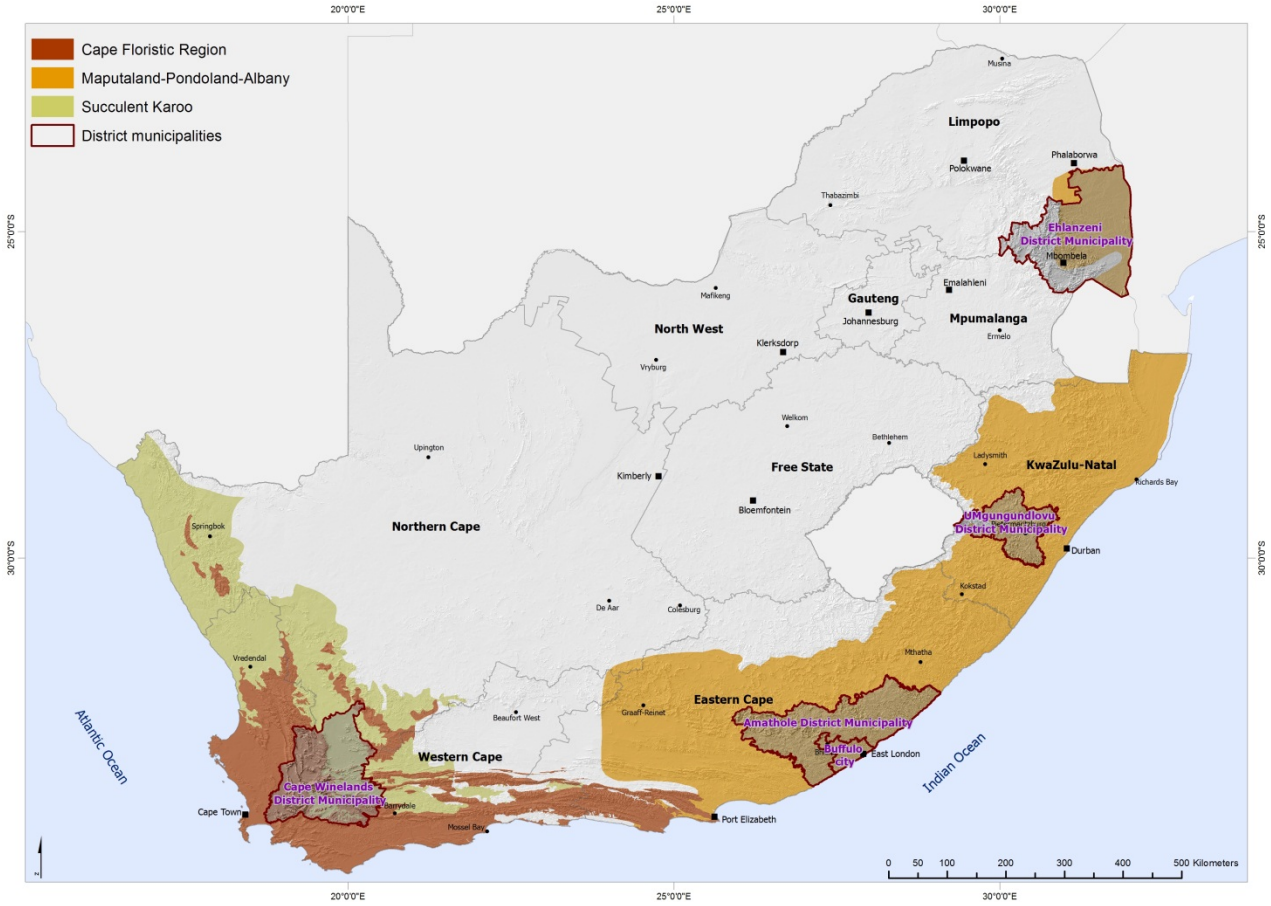
INITIATIVES / INTERVENTIONS	HOW COLLABORATION WITH THE PROJECT WILL BE ENSURED
Lowveld Node, Katberg-Amatole-Hogsback Region, Eastern Cape proclamation of reserves and consolidation of forestry areas in Western Cape Province.	SANParks to ensure that there is collaboration in these areas.
Let's Respond: Integrating Climate Change Risks and Opportunities into Municipal Planning is run jointly by DEA, SALGA and COGTA. This initiative supports the mainstreaming of climate change considerations and the recognition of the importance of functioning ecosystems as green infrastructure. The objective is to integrate these processes into municipal IDPs and fiscal budgetary processes. This programme includes prioritizing the role of functioning ecosystems as core for municipal 'green infrastructure'	There is strong potential for collaboration with this project which will be encouraged through liaison with DEA.
Making the Case: This process, supported by SANBI and DEA, aims to secure recognition for biodiversity as a driver of South Africa's economy and an important source for job creation. It aims to secure substantial additional support for state institutions with a natural resource mandate by demonstrating the value of investment in ecosystem services.	This intervention has targeted national level institutions, this project will bring it down to the municipal level and will focus particularly on valuing the contribution made by ecological infrastructure.
*The Municipal Biodiversity Summaries Project (SANBI, DEA) (*is using existing spatial biodiversity information to develop biodiversity profiles for all local municipalities in the country. These profiles facilitate the mainstreaming spatial biodiversity information into state of the environment reporting, as well as SDFs, especially in cases where municipalities do not have the information needed for the production of biodiversity sector plans.	This project will build capacity to strengthen the incorporation of freshwater priorities and will support the implementation of biodiversity sector plans in the target districts.
Municipal Infrastructure Support Agency (MISA) this programme targets vulnerable municipalities	This project provides opportunity for collaboration with MISA in respect of the following strategic objectives of the Agency: SG 2: Render technical support based on actual needs to identified municipalities; SG 3: Build improved technical capacity of targeted municipalities to plan, deliver, operate and maintain infrastructure; and SG 4: Reduce backlogs in municipal infrastructure delivery and maintenance in water and sanitation, energy, solid waste management, roads and storm water
The National Biodiversity Stewardship	This project has identified a number of priority areas

INITIATIVES / INTERVENTIONS	HOW COLLABORATION WITH THE PROJECT WILL BE ENSURED
programme, is driven by the Provincial Conservation Agencies, in recognition of the importance of the biodiversity held on private land. It systematically identifies land of critical importance for biodiversity conservation and/or the provision of ecosystem services, and actively encourages private and communal landowners to engage in biodiversity conservation and other sustainable land use practices. This approach has been implemented in six provinces and is making a significant contribution to meeting national conservation targets, at much lower cost to the state than land acquisition.	where stewardship approaches driven by provincial conservation agencies will be supported and integrated with the promotion of sustainable land use management in the broader landscape.
The *Presidential Jobs Fund* (R10 billion over five years) provides co-financing for projects by public, private and non-governmental organisations which contribute significantly to job creation. SANBI is leading a R300 million investment in the biodiversity sector which will train graduates to take up biodiversity management positions in support of the green economy.	A large proportion of the jobs supported by this initiative will be located in Municipalities. The capacity developed by this project will help to ensure that the municipalities are able to use the new graduates effectively.
Pro Ecoserve is a partnership between the CSIR and SANBI with DEA chairing the steering committee. The objective is to integrate information on ecological infrastructure into sustainable national development planning and is focusing on national planning frameworks, and case studies for catchment management (Olifants) and disaster risk management (Eden District)	All the partners in this project are also involved in this GEF mainstreaming intervention and will promote learning across these two initiatives.
SIP 19 Presidential Infrastructure Coordinating Committee (PICC) is considering Ecological Infrastructure as the focus of a potential 19th Strategic Integrated Project (SIP).	There is a need for collaboration and integration with this initiative which will be coordinated by SANBI.

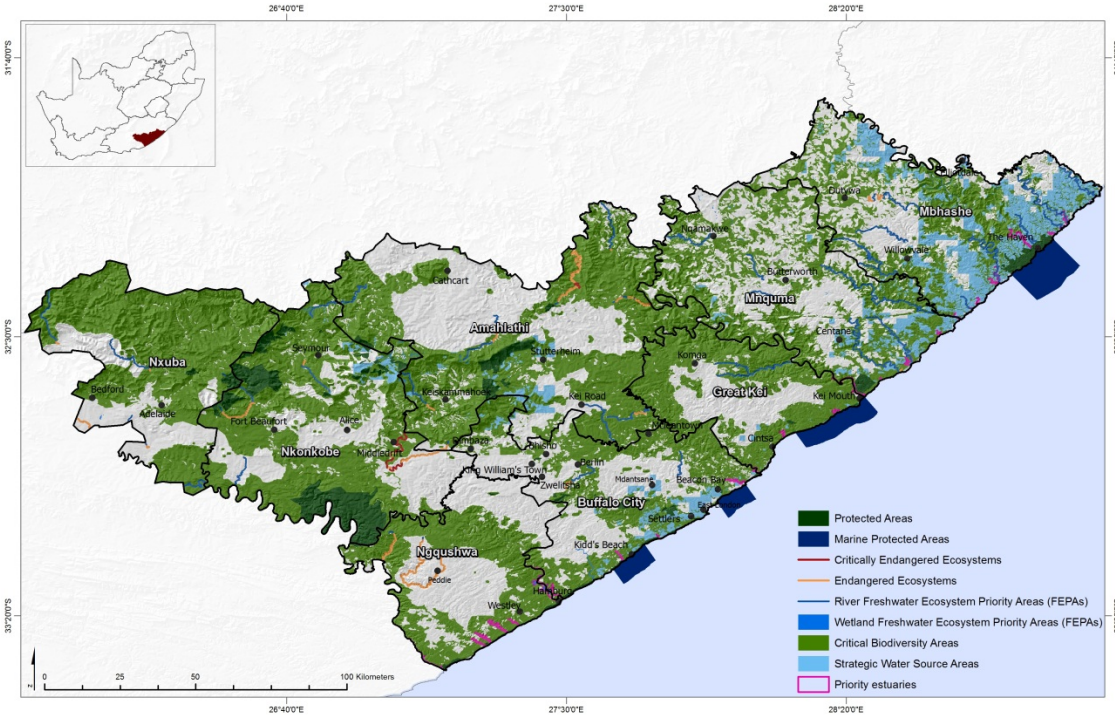
Project Annexes

Annex 1: Maps

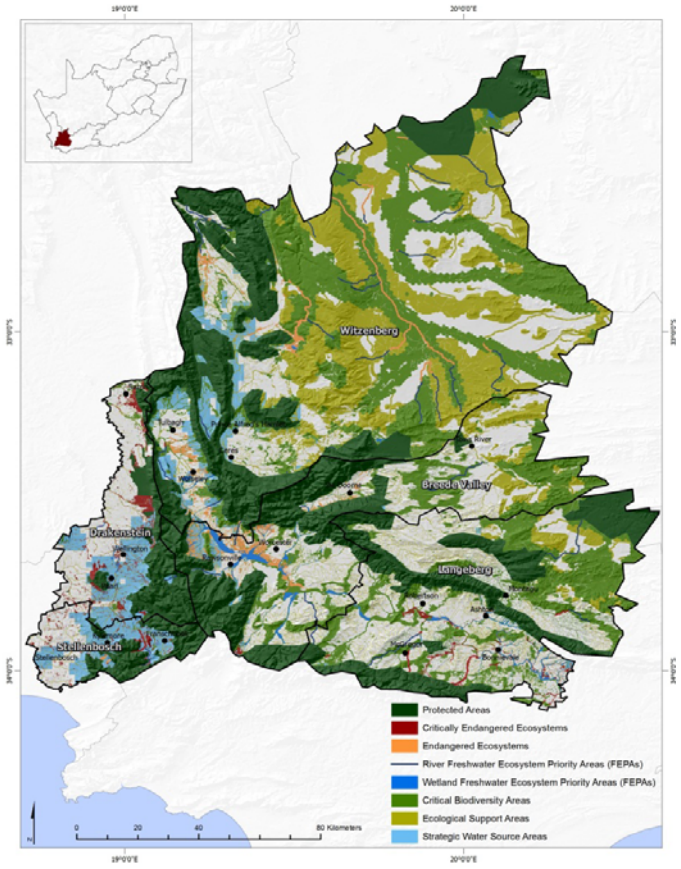
Map 1 Global Biodiversity Hotspots overlayed with project sites



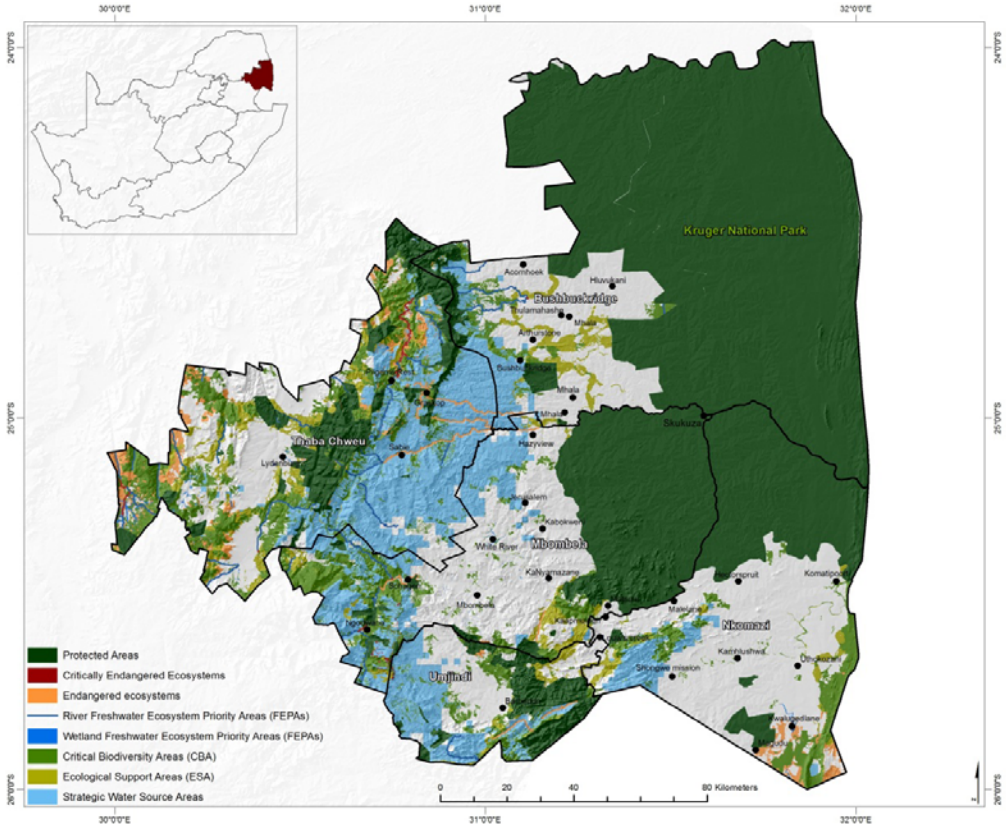
Map 2 Amathole District



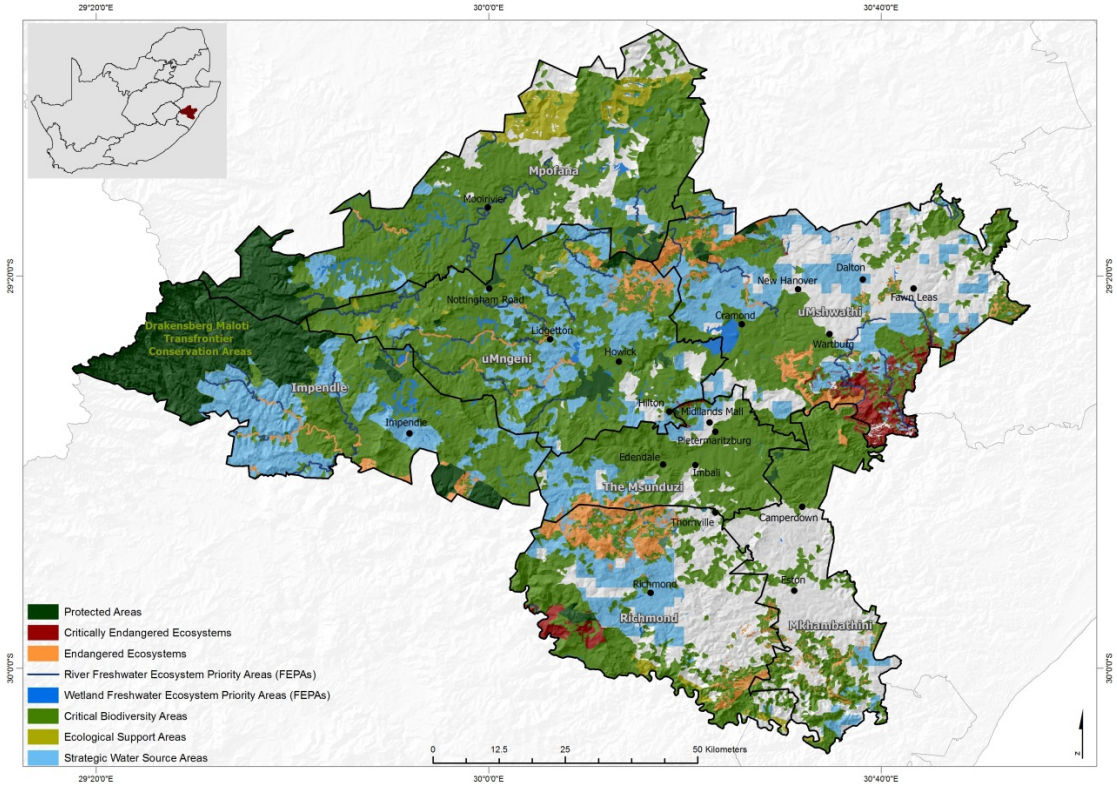
Map 3 Cape Winelands District



Map 4 Ehlanzeni District Municipality



Map 5 uMgungundlovu District Municipality



Annex 2: Terms of References for key project staff

PROJECT COORDINATOR

The Project Coordinator will serve as Mainstreaming Technical Project leader and the purpose of this post will be to provide effective and efficient strategic leadership and management of the implementation of the Biodiversity Mainstreaming Project, a multi-faceted and multi-stakeholder project which will be implemented at the municipal scale over four provinces in four district municipalities over five years, with over ten key partner institutions and a core budget of $8.1 million.

The Project Coordinator will be responsible for management of the following people:

- 3 technical advisors (Regulatory Advice, Planning Advice Land and Stewardship
- Learning Network and Communications Technical Officer
- Finance Manager
- Finance and Procurement Administrator
- Admin Assistant

Responsibility towards these staff includes: development and planning of work programmes, budget allocation, decisions regarding allocation of tasks; setting performance targets; mentorship, management and experiential training; development of performance management agreements and conducting performance evaluations.

The level of autonomy associated with the post is relatively high. The Project Coordinator has to be able to operate with minimal supervision from the Chief Director; Bioregional Programmes and Policy. The incumbent needs to be able to make reasoned decisions regarding management of resources, staff, and tasks; work programs independently; and make strategic decisions or manage politically sensitive situations independently.

The Project Coordinator will further be responsible for managing and coordinating project partner interaction. This will include drawing up Memoranda of Agreements, preparing regular quarterly reports against work plans and developing future quarterly plans. As the programme is a partnership programme relationship management is key. This is not simply a line accountability type of relationship and requires skilled management. The following organisations will be involved:

- Department of Environmental Affairs
- Mpumalanga Department of Economic Development, Environment and Tourism
- Western Cape Department of Environmental Affairs and Development Planning
- Mpumalanga Tourism and Parks Agency
- Eastern Cape Parks and Tourism Agency
- Ezemvelo KwaZulu Natal Wilidlife
- Ehlanzeni District Municipality
- uMgungundlovu District Municipality
- Drakenstein District Municiplity
- NCT Forestry Cooperative Ltd and
- World Wildlife Fund-South Africa

<u>Objectives</u>

- Strategic leadership to the implementation of the Project;
- Management of all programme processes, deliverables, finances, procurement and contracting of service providers that results in the achievement of the programme outcomes;
- Mange donor relations including ensuring compliance to donor requirements; communicating key messages from the Biodiversity Mainstreaming Project to both local and international donors; host regular donor visits; review donor strategies and lobbying government departments to align funding strategies;
- Ensure effective financial management of donor funds (including core funds of $8.1million from UNDP GEF);
- Ensure the coordination of implementation activities, through effective governance structures
- Effective management of relationships with a diverse range of partner's and stakeholders (private sector, public sector, NGOs and academic), resulting in their continued mobilisation and support of the programme
- Leadership on content regarding mainstreaming biodiversity into production sectors, how to achieve trade offs between development and biodiversity and linkages between poverty alleviation and biodiversity management
- Appointment and supervising of the local consultants within the Mainstreaming Technical Unit and Project Management Unit

Qualifications

- Qualification and experience
- Post graduate degree in natural, social or management sciences
- Experience of programme management and leadership
- Extensive knowledge and/or experience of biodiversity and/or bioregional programmes in South Africa, with direct experience of the Grasslands Programme an advantage
- Experience of working with a range of stakeholders including the three spheres of government, the private sector and civil society around environment management
- Understanding of linkages between biodiversity management and development with a focus on poverty alleviation
- Between 7 – 10 years programme management and leadership experience

FINANCE AND PROCUREMENT ADMINISTRATOR

This project requires detail financial reporting and the monitoring of the budget in dollars. In order to support the finance and admin processes a Finance and Procurement Officer to assist the SANBI Finance Manager (SANBI Funded Post). An element of the position is also to support the project director and extended project team.

Objectives:

Finance and procurement:

- Support the procurement processes within SANBI for the project
- Collating the co-financing
- Call for finance reports from implementing partners
- Financial processing for all the GEF related activities

Admin and project support

- Record and write up minutes
- Liaise with stakeholders around workshops and meetings
- Logistics around workshops and meetings

Qualifications

- Relevant tertiary diploma with 3 years' experience in project finance and management or Grade 12 with 5 years relevant experience.
- Familiarity with accounting processes
- High level of proficiency in Excel
- Excellent writing and communication skills
- The candidate should demonstrate good organizational, coordination, record management,
- Office administration

OVERVIEW OF INPUTS FROM TECHNICAL ASSISTANCE CONSULTANTS

Table 12. Overview of Inputs from Technical Assistance Consultants

Consultant		Tasks and Inputs
Local / National contracting		
Programme Manager: Regulatory Advise	Full time / over 54 months	Programme Manager: Regulatory Advise is responsible for managing project implementation within the regulatory environment – particularly overseeing implementation in Ehlanzeni and Cape Winelands District Municipality. In addition, the Programme Manager is responsible for all policy engagement and tools development required in support of the necessary Regulatory Processes.
Programme Manager: Planning Advise	Full time / over 54 months	Programme Manager: Planning Advise is responsible for managing project implementation within the Municipal Planning environment – particularly overseeing implementation in Ehlanzeni, Cape Winelands, and uMgungundlovu District Municipality. In addition, the Programme Manager is responsible for all policy engagement and tools development required in support of the necessary Municipal Planning and Financing Processes.
Programme Manager: Stewardship and Land under Better Management	Full time / over 54 months	Programme Manager: Stewardship and Land Management is responsible for managing project implementation within Component 2 of the project across the four District Municipalities. In addition, the Programme Manager is responsible for all policy engagement and tools development required in support of the necessary Stewardship Tax Reform and Financing Processes.

Annex 3: Offline Risk Log

Project Title: Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale	**Award and Project ID:** To be determined	**Date:** **31 March 2014**

#	Description	Date Identified	Type	Impact & Probability	Counter-measures / Mgt response	Owner	Submitted, updated by	Last Update	Status
1	Enter a brief description of the risk	When was the risk first identified	Environmental Financial Operational Organizational Political Regulatory Strategic Other	Describe the potential effect on the project if this risk were to occur P = I =	What actions have been taken/will be taken to counter this risk	Who has been appointed to keep an eye on this risk	Who submitted the risk	When was the status of the risk last checked	e.g. no longer applicable, reducing, increasing, no change
2	Limited capacity within project partner institutions	March 2014	Financial Operational Organizational	This will affect partners' ability to carry out to carry out project activities P = moderately likely I = high	Provision has been made to provide additional specialist and/or technical support to affected partner institutions and to build capacity as part of this Project.	SANBI	SANBI		
3	Necessary policy changes to facilitate project implementation are not approved	March 2014	Political Strategic	The risk is that policy changes fall outside SANBI's control. If the necessary policy changes are not approved the activities will be carried out but with limited long term impact. P = unlikely I = medium	The project is designed to be adaptive and adjust to any policy changes within the policy environment. In addition, policy changes needed to facilitate project implementation are agreed strategic priorities of the key stakeholders and have been negotiated with the responsible senior managers.	SANBI & DEA	SANBI		
4	Small growers within the	March 2014	Environmental	This will affect project partners'	Counter measures include the inclusion	SANBI	SANBI		

#	Description	Date Identified	Type	Impact & Probability	Counter-measures / Mgt response	Owner	Submitted, updated by	Last Update	Status
	production sectors do not want to take up sustainable farming practices			ability to implement Component 2 project activities that seek to reduce pressures on biodiversity through better land management and natural resource management practices on communal land. P = Moderately likely I= medium	project activities that involve mentorship, deploying extension services and involving commercial farmers in mentoring small growers.				

Box 1. Risk Assessment Guiding Matrix

		Impact					
		CRITICAL	HIGH	MEDIUM	LOW	NEGLIGIBLE
Probability	CERTAIN / IMMINENT	Critical	Critical	High	Medium	Low
	VERY LIKELY	Critical	High	High	Medium	Low
	LIKELY	High	High	Medium	Low	Negligible
	MODERATELY LIKELY	Medium	Medium	Low	Low	Negligible
	UNLIKELY	Low	Low	Negligible	Negligible	Considered to pose no determinable risk

Annex 4: Project design stakeholder engagement plan

ENGAGEMENT WITH NATIONAL STAKEHOLDERS

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
High level letter from SANBI CEO to head of institution	ALL national stakeholder institutions listed in PIF – plus: National Treasury, Auditor-General, DWA COGTA SALGA	DGs of national depts. AG CEO/Programme Manager of CSIR	Official notification of GEF 5 Biodiversity Mainstreaming Project SANBI's appointment by DEA to le the Project; rationale & key element the Project; process involved to deve the Project; and invitation to particip in stakeholder engagement process (to give some indication that SANBI looking for partners, interest & valu propositions & commitments) Given time constraints it is recommended that this this letter indicated that one-on-one meetings v be held shortly & that institutions should nominate mandate representatives with whom these meetings should be held & ensure th these nominees are properly prepare for the meeting
Establish Project Steering Committee & convene first meeting	SANBI DEA Treasury Provincial environment departments Provincial conservation agencies CSIR EWT (?) May also be necessary to include COGTA to coordinate District involvement		Invite nominations & establish proje steering committee to facilitate & coordinate project identification, proposal development; strategy development; & generation of commitments
Notice of one-on-one engagement meetings from GEF 5 Project Programme Manager ✓ Identify meeting dates ✓ Draft notice & agenda	ALL national stakeholder institutions listed in PIF – plus: National Treasury, Auditor-General, DWA	DGs of national depts. AG CEO/Programme Manager of CSIR	DGs of national depts. AG CEO/Programme Manager of CSIR

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
✓ Obtain approval to send out ✓ Sign & send off	COGTA SALGA?		
One-on-one engagement with selected national stakeholders ✓ Logistics to set up meetings, accommodation & travel arrangements ✓ Preparation for meetings ✓ Chair/facilitate meetings ✓ Write up meeting notes	as listed above –	as listed above	Purpose: focussed engagement with potential partners/participants on: ✓ value proposition ✓ type of envisaged project & project area to be considered for inclusion in the Project ✓ in principle commitment to participate ✓ clarify process & timeframes to obtain formal & approved commitments ✓ explain process to develop project proposal & what their role & responsibility is in this regard ✓ indication of financing & budget implications of envisaged projects Given time constraints & where there is a need to engage with senior officials @ national level it is recommended that the national one-on-one engagements are shared between Kristal (eg with Treasury & AG) and Aziza
Focussed consultations with selected national authorities to gather information on capacity within institutions: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	only certain institutions – selection will be informed by one on one engagements		Assess institutional capacity - informed by TOR/set of questions

ENGAGEMENTAT DISTRICT LEVEL
AMATHOLE DISTRICT

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
High level letter from SANBI CEO to head of institution – confirm whether or not all local municipalities will be included (based on spatial analysis) ✓ Draft letter ✓ Submit to CEO for approval ✓ Sign & send off NOTE: Engagement with the Local Municipalities (LM) , implementing agents & beneficiaries will depend on priority area & project selection within those areas	Regional offices of DAFF & DWA DEDEAT Department of Agriculture & Land Affairs ECPTA ECDC Amathole Water ASPIRE Amathole DM Buffalo City Metro Nkonkobe LM Nxuba LM Ngqushwa LM Amahlathi LM Mnquma LM Greater Kei LM Mbashe LM EC Implementation Committee (ECIC) WUAs	Regional Managers HODs of provincial depts. CEOs Executive Mayors, Municipal Managers & CFO's of District & Local Municipalities Chairpersons	Official notification of GEF 5 Biodiversity Mainstreaming Project & SANBI's appointment by DEA to lead the Project; rationale & key elements of the Project; process involved to develop the Project; and invitation to participate in stakeholder engagement process (best to give some indication that SANBI is looking for partners, interest & value propositions & commitments) Given time constraints it is recommended that this letter indicated that one-on-one meetings will be held shortly & that institutions should nominate mandate representatives with whom these meetings should be held & ensure that these nominees are properly prepared for the meeting; and indicate that communication about these meetings will come from the SANBI GEF 5 Project Programme Manager
Notice of one-on-one engagement meetings from GEF 5 Project Programme Manager ✓ Identify meeting dates ✓ Draft notice & agenda ✓ Obtain approval to send out ✓ Sign & send off	as listed above	as listed above	Explain purpose of meeting & what preparation needs to be done; indicated what information must be provided; attach agenda
One-on-one engagement with stakeholders in the District ✓ Logistics to set up meetings, accommodation & travel arrangements ✓ Preparation for meetings	as listed above	as listed above	Purpose: focussed engagement with potential partners/participants on: ✓ value proposition ✓ type of envisaged project & project area to be considered for inclusion in the Project ✓ in principle commitment to participate ✓ clarify process & timeframes to obtain formal & approved commitments

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
✓ Chair/facilitate meetings ✓ Write up meeting notes			✓ explain process to develop project proposal & what their role & responsibility is in this regard ✓ indication of financing & budget implications of envisaged projects
Focussed consultations to gather baselines: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	as set out in way forward action plan	as set out in way forward action plan	Establish baseline – informed by TOR/set of questions
Focussed consultations to gather information on capacity within institutions: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	selection will be informed by one on one engagements		Assess institutional capacity - informed by TOR/set of questions

EHLANZENI DISTRICT

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
High level letter from SANBI CEO to head of institution – confirm whether or not all local municipalities will be included (based on spatial analysis)	Regional offices of DAFF & DWA DEDET Department of Agriculture & Land Affairs MPTPA K2C Network	Regional Managers HODS CEO Chair	Official notification of GEF 5 Biodiversity Mainstreaming Project & SANBI's appointment by DEA to lead the Project; rationale & key elements of the Project; process involved to develop the Project; and invitation to participate in stakeholder engagement process (best to give some indication that SANBI is

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
✓ Draft letter ✓ Submit to CEO for approval ✓ Sign & send off NOTE: Engagement with the Local Municipalities (LM), implementing agents & beneficiaries will depend on priority area & project selection within those areas	Coordinating Unit Ehlanzeni DM Bushbuckridge LM Mbombela LM Nkomazi LM Thaba Chweu LM Umjindi LM	Executive Mayors, Municipal Managers & CFO's of District & Local Municipalities	looking for partners, interest & value propositions & commitments) Given time constraints it is recommended that this letter indicated that one-on-one meetings will be held shortly & that institutions should nominate mandate representatives with whom these meetings should be held & ensure that these nominees are properly prepared for the meeting; and indicate that communication about these meetings will come from the SANBI GEF 5 Project Programme Manager
Notice of one-on-one engagement meetings from GEF 5 Project Programme Manager ✓ Identify meeting dates ✓ Draft notice & agenda ✓ Obtain approval to send out ✓ Sign & send off	as listed above	as listed above	Explain purpose of meeting & what preparation needs to be done; indicated what information must be provided; attach agenda
One-on-one engagement with stakeholders in the District ✓ Logistics to set up meetings, accommodation & travel arrangements ✓ Preparation for meetings ✓ Chair/facilitate meetings ✓ Write up meeting notes	as listed above	as listed above	Purpose: focussed engagement with potential partners/participants on: ✓ value proposition ✓ type of envisaged project & project area to be considered for inclusion in the Project ✓ in principle commitment to participate ✓ clarify process & timeframes to obtain formal & approved commitments ✓ explain process to develop project proposal & what their role & responsibility is in this regard ✓ indication of financing & budget implications of envisaged projects
Focussed consultations to gather baselines: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines	as set out in way forward action plan	as set out in way forward action plan	Establish baseline – informed by TOR/set of questions

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
✓ Conduct consultation interviews			
Focussed consultations to gather information on capacity within institutions: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	selection will be informed by one on one engagements		Assess institutional capacity - informed by TOR/set of questions

UMGUNGUNDLOVU DISTRICT

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
High level letter from SANBI CEO to head of institution – confirm whether or not all local municipalities will be included (based on spatial analysis) ✓ Draft letter ✓ Submit to CEO for approval ✓ Sign & send off NOTE: Engagement with the Local Municipalities (LM) , implementing agents & beneficiaries will depend on priority area & project selection within those areas	Regional offices of DAFF & DWA DAEA Ezemvelo KZN Wildlife Umgeni Water Umgungundhlovu DM Impendle LM Mpofana LM uMgeni LM uMshwathi LM Msunduzi LM Richmond LM Mkhambathini LM WUAs	Regional Managers HOD CEOs Executive Mayors, Municipal Managers & CFO's of District & Local Municipalities Chairpersons	Official notification of GEF 5 Biodiversity Mainstreaming Project & SANBI's appointment by DEA to lead the Project; rationale & key elements of the Project; process involved to develop the Project; and invitation to participate in stakeholder engagement process (best to give some indication that SANBI is looking for partners, interest & value propositions & commitments) Given time constraints it is recommended that this letter indicated that one-on-one meetings will be held shortly & that institutions should nominate mandate representatives with whom these meetings should be held & ensure that these nominees are properly prepared for the meeting; and indicate that communication about these meetings will come from the SANBI GEF 5 Project Programme Manager
Notice of one-on-one engagement meetings from GEF 5 Project	as listed above	as listed above	Explain purpose of meeting & what preparation needs to be done; indicated what information must be provided;

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
Programme Manager ✓ Identify meeting dates ✓ Draft notice & agenda ✓ Obtain approval to send out ✓ Sign & send off			attach agenda
One-on-one engagement with stakeholders in the District ✓ Logistics to set up meetings, accommodation & travel arrangements ✓ Preparation for meetings ✓ Chair/facilitate meetings ✓ Write up meeting notes	as listed above	as listed above	Purpose: focussed engagement with potential partners/participants on: ✓ value proposition ✓ type of envisaged project & project area to be considered for inclusion in the Project ✓ in principle commitment to participate ✓ clarify process & timeframes to obtain formal & approved commitments ✓ explain process to develop project proposal & what their role & responsibility is in this regard ✓ indication of financing & budget implications of envisaged projects
Focussed consultations to gather baselines: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	as set out in way forward action plan	as set out in way forward action plan	Establish baseline – informed by TOR/set of questions
Focussed consultations to gather information on capacity within institutions: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate	selection will be informed by one on one engagements		Assess institutional capacity - informed by TOR/set of questions

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
service provider consultation to gather data on baselines ✓ Conduct consultation interviews			

WINELANDS DISTRICT

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
High level letter from SANBI CEO to head of institution – confirm whether or not all local municipalities will be included (based on spatial analysis) ✓ Draft letter ✓ Submit to CEO for approval ✓ Sign & send off NOTE: Engagement with the Local Municipalities (LM), implementing agents & beneficiaries will depend on priority area & project selection within those areas	Regional offices of DAFF & DWA DEADP Provincial agriculture department CapeNature Winelands DM Langeberg LM Breede LM Drakenstein LM Stellenbosch LM Witzenberg LM	Regional Managers HODs CEOs Executive Mayors, Municipal Managers & CFO's of District & Local Municipalities	Official notification of GEF 5 Biodiversity Mainstreaming Project & SANBI's appointment by DEA to lead the Project; rationale & key elements of the Project; process involved to develop the Project; and invitation to participate in stakeholder engagement process (best to give some indication that SANBI is looking for partners, interest & value propositions & commitments) Given time constraints it is recommended that this letter indicated that one-on-one meetings will be held shortly & that institutions should nominate mandate representatives with whom these meetings should be held & ensure that these nominees are properly prepared for the meeting; and indicate that communication about these meetings will come from the SANBI GEF 5 Project Programme Manager
Notice of one-on-one engagement meetings from GEF 5 Project Programme Manager ✓ Identify meeting dates ✓ Draft notice & agenda ✓ Obtain approval to send out ✓ Sign & send off	as listed above	as listed above	Explain purpose of meeting & what preparation needs to be done; indicated what information must be provided; attach agenda
One-on-one engagement with stakeholders in the District ✓ Logistics to set up	as listed above	as listed above	Purpose: focussed engagement with potential partners/participants on: ✓ value proposition ✓ type of envisaged project & project area to be considered for inclusion

ACTIVITY & TYPE OF ENGAGEMENT	STAKEHOLDER INSTITUTION	ENGAGEMENT WITH OFFICIAL/INDIVIDUAL	PURPOSE OF ENGAGEMENT &/OR DISCUSSION POINTS
meetings, accommodation & travel arrangements ✓ Preparation for meetings ✓ Chair/facilitate meetings ✓ Write up meeting notes			in the Project ✓ in principle commitment to participate ✓ clarify process & timeframes to obtain formal & approved commitments ✓ explain process to develop project proposal & what their role & responsibility is in this regard ✓ indication of financing & budget implications of envisaged projects
Focussed consultations to gather baselines: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	as set out in way forward action plan	as set out in way forward action plan	Establish baseline – informed by TOR/set of questions
Focussed consultations to gather information on capacity within institutions: ✓ Develop TORs/set of questions ✓ Identify & appoint service provider ✓ Coordinate service provider consultation to gather data on baselines ✓ Conduct consultation interviews	selection will be informed by one on one engagements		Assess institutional capacity - informed by TOR/set of questions

SIGNATURE PAGE

[Note: To be completed after CEO endorsement and before agency approval]