

**FINANCE SOLUTION Proposal Template**

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Country: South Africa Submission date: 08/06/2021

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**SECTION 1 – FOR PROPOSED FINANCE SOLUTIONS**

**☐ The preparatory stage** (If the solution is in the preparatory stage less details will be expected. Only the **white sections in the table must be filled**, the grey sections will be filled at the next stage).

**☒ Full implementation stage** (If the solution enters in the full implementation stage, more details are expected. The **white and the grey sections must be filled** with as many details as possible)

**☐ Scaling up existing BIOFIN finance solution** (If the solution was already being implemented under the previous phase by BIOFIN and the objective is to scale it up the proposal needs to be also developed to reflect this. **White and the grey sections must be filled** with as many details as possible)

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| **Proposal Summary** | |
| Title of the Finance Solution | **Reform of property rates legislation, interpretation and application to protected areas** |
| Concise Description (Approx 150 words) | Certain categories of protected areas face the challenge of being charged substantial property rates bills due to ambiguity regarding the interpretation and application in the Municipal Property Rates Act No.6 of 2004 (MPRA). This is placing considerable undue financial pressure on state entities and private citizens providing a public benefit through the management and protection of South Africa’s protected areas.  As an example, as of May 2016, South African National Parks (SANParks) was facing demands from various local municipalities for rates arrears totaling approximately R212 million. In addition, they estimate that future demands would be in excess of R80 million/yr.  This solution aims to ensure that the application of national legislation defining property rates exclusions, exemptions and rebates and the associated policies and application procedures by municipalities better reflects the spirit and intention of the Municipal Property Rates Act (MRPA) with respect to the concessions it offers protected areas such as special nature reserves, national parks and nature reserves, and national botanical gardens.  In implementing this solution, further intergovernmental collaboration will be undertaken between Department of Forestry Fisheries and the Environment (DFFE), Cooperative Governance and Traditional Affairs (CoGTA), South African Local Government Association (SALGA) and National Treasury (NT) to look at an interim solution in resolving current municipal rates bills received by management authorities. Parallel to this, technical assessment will be undertaken to inform the development of a national framework which will serve as a guide to municipalities to amend their rates policies.  In parallel to this process, this project in South Africa will investigate the feasibility of Ecological Fiscal Transfers. If the Municipal Property Rates Act No.6 of 2004 (MPRA) were to be correctly implemented, some municipalities could face substantial losses in income, which may in turn compromise their service delivery ability. This risk makes municipalities averse to any reduction in property rates income that they may be receiving from protected areas, and therefore runs the risk of setting up unnecessary competition for fiscal resources. To mitigate this, discussions with National Treasury and COGTA on the viability of ecological fiscal transfers to municipalities with a high number or high land coverage of protected areas will be investigated.  There is a task team recommended by the DFFE through Working Group 1 to look at Property Rates countrywide and recommend a way forward to address the application of property rates within the definition of the Local Government Municipal Property Rates Act, 2004, especially with regards to impermissible rates under section 17 (1)(e). |
| Contribution to SDGs | SDG 8: Decent work and economic growth  SDG 11: Sustainable Cities  SDG 15: Life on land  SDG 17: Partnerships for goals  The financial solution will contribute towards the above-mentioned SDGs as well managed Protected Areas can enhance human welfare and wellbeing including poverty alleviation, food and water security, health, disaster risk reduction, sustainable cities and climate change strategies |
| Contribution to Aichi Targets / National Targets | **Aichi Target 11:** The clear interpretation and application of municipal property rates exclusions has the potential to promote and support the declaration and expansion of the protected area estate for improved management, effectively assisting South Africa to achieve Target 11.  **Aichi Target 20:** The clear interpretation and application of municipal property rates exclusions has the potential to promote another form of fiscally based incentive and create another finance solution tailor made for biodiversity protection and management and aid South Africa to achieve Target 20.  **NBSAP: 1.** Management of biodiversity assets and their contribution to the economy, rural development, job creation and social well-being is enhanced.  **National Targets for protected areas:** The clear interpretation and application of municipal property rates exclusions has the potential to promote and support the declaration and expansion of the protected area estate for improved management of protected areas on state effectively assisting South Africa to reach its national protected area expansion targets encased in the National Protected Area Expansion Strategy.  **National Targets for the creation of environmental incentives:** The clear interpretation and application of municipal property rates exclusions has the potential to promote the effective use of another form of fiscal incentive dedicated to protecting and managing biodiversity and ecological infrastructure, effectively assisting South Africa to achieve the creation of legitimate environmental incentives. |
| Implementing / Strategic partners (if other than UNDP) | DFFE, South African National Biodiversity Institute, Protected Area Management Authorities, Cooperative Governance and Traditional Affairs, National Treasury, South African Local Government Association |
| Start and End Date | 2020 - 2024 |

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| Finance Results |

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| Solution Category/ies from the [BIOFIN Catalogue](http://www.biodiversityfinance.net/finance-solutions) | Reforming subsidies harmful to biodiversity, Non-state Protected Areas, Fiscal Incentives, Ecological fiscal transfers |
| Relevant Finance Result(s) | 1) Re-aligning existing resources 2) Preventing future costs |
| Estimated Finance Result | According to the Biodiversity Finance Plan for South Africa (2018), the key results would be realized through savings on property rates that protected area authorities could rather be using for conservation. These would include arrears amounts which may exceed the R212 million being demanded from SANParks alone, as of May 2016 (the nine provincial Protected Area Management Authorities are subject to the same challenge). Future avoided costs for all protected area authorities (i.e. the ten state PA Management Authorities, privately or communally owned protected areas, and national botanical gardens) were assumed to be approximately twice the R80 million per year rates liability estimated for SANParks after three years, reflecting the area under their management relative to the national protected areas estate. The potential maximum additional cost to DFFE and its partners of achieving the necessary reforms was assumed to be R3 million in potential legal fees and other specialist input. |
| Finance Source | Public/Private national/international |
| Sector | Protected Areas |
| Instrument Type | Market |

Note: if Private sector please check due diligence requirements / guidelines at [this LINK](https://popp.undp.org/UNDP_POPP_DOCUMENT_LIBRARY/Public/BERA_Partnerships_UNDP%20Private%20Sector%20Risk%20Assessment%20Tool%20Guideline%20March%202016.docx)

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| **Budget (USD)** | | |
| **Total resources required:** | USD 220 000 | |
| **Total resources allocated:** |  | |
| **BIOFIN** | USD 150 000 |
| **Donor 1:** |  |
| **Donor 2:** | - |
| **Government of South Africa** | In kind staff time |
| **In-Kind** |  |
| **Unfunded:** | | 70 000\* |
| **Budget (USD) 220 000** | | |

\*Unfunded activities are 1) Creation of advocacy strategy and materials for property rates and EFTs and 2) Initial development and testing of Ecological Fiscal Transfers through a pilot.

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| **Main Proposal and approach** | |
| 1. Background information (150 words approx.) | Municipal property rates legislation and policies are governed by the Municipal Property Rates Act (MPRA). The MPRA equates to national legislation and provides for three forms of property rates fiscal concessions both through prescription as well as through discretionary powers placed on municipalities, namely: rates exclusions, rates exemptions and rates rebates. Property rates are a substantial source of revenue for municipalities and can be used to relieve the financial pressure experienced by many municipalities as a result of reductions of fiscal allocations. These areas of interpretive debate, alongside the discretionary powers afforded municipalities, have consequences for different categories of protected areas and botanical gardens. There are positive biodiversity outcomes when applied for the benefit of environmental management and protection, in line with the spirit and purport of the legislation. However, there are negative consequences which are particularly significant in the case of protected areas, and which fail to provide financial sustainability to protected areas and botanical gardens, but rather place undue financial strain.  Section 17(1) (e) of the MPRA excludes a municipality’s rating power over a property, whereby the municipality may not levy a rate on those parts of a property declared as a special nature reserve, national park or nature reserve within the meaning of the Protected Areas Act, or of a national botanical garden within the meaning of the Biodiversity Act, ***which are not developed or used for commercial, business, agricultural or residential purposes***. The intention of this condition, which came into effect in 2009, was to exclude the rating of the bulk of a property that is used for conservation purposes, but to still rate those portions of the property that are clearly not used for conservation purposes and are used for commercial, industrial, residential or other non-conservation related purposes or where there is essentially exists a ‘right of use’ on a portion of the property (for example, a game lodge or a restaurant). However, there are instances where in the implementation of the MPRA, conservation authorities and private citizens responsible are charged exorbitant and unrealistically high property rates for entire properties declared as protected areas or designated as botanical gardens, under the legally defendable argument that the entire property affects the commercial viability of lodge or restaurant, or that a gate fee to enter a PA makes the entire property a commercial enterprise. This leads to significant additional costs now or in the future which limits the ability to effectively manage these areas sustainably. In addition, in the application of the tax legislation, a precedent exists regarding the determination and valuation of any ‘right of use’ regarding the valuation of a property.  In year 1 of implementation, challenges faced have necessitated the need to look at the possibility of indirectly compensating municipalities with a high number of PAs vs rates base, through intergovernmental transfers that acknowledge the loss of revenue when PAs pay less/no property rates. The finance solution will look at the feasibility of implementing Ecological Fiscal Transfers as a means of compensate municipalities facing reduced revenue, and incentivizing municipalities to conserve biodiversity with transfers being integrated in current payments from the National Government as part of Division of revenue allocation. The application of Ecological Fiscal Transfers will also enable the penalization of environmental degradation with reduced transfers as well as reward environmental improvement with increased transfers. The implementation of such an incentive will assist in enabling municipalities to accept a standardized approach to rating protected areas.  Procurement of a consultant to conduct a technical review of the Finance Solution is underway (2021). |
| 1. Objective(s) and Results expected (100 words approx..) | Objective 1:  To ensure that there is correct interpretation of the legislation to provide a standardized approach to rate protected areas correctly. This will allow protected area management authorities to apply for a reduction of, or exemption from property rates for protected areas and botanical gardens. The key results would be realized through savings on property rates that protected area authorities could allocated to cover biodiversity management costs.  Objective 2:  Exploring the viability of providing an incentive for municipalities conserving biodiversity through Ecological Fiscal Transfers. Direct ecological fiscal transfers to municipalities will enable them to cushion the impact of reduction in property rates. |
| 1. Gender Aspects | This Finance Solution will promote gender balance through the following aspects:   * Gender balance in any trainings provided. * The solution will promote gender balanced committees through ensuring that the task team dealing with the solution is gender balanced |
| 1. Business Case (Approx 150 words) | • Protected areas and national botanical gardens are a public good providing significant biodiversity and socio-economic benefits to society.  • Their contribution is reflected in the concessions offered to them in the Municipal Property Rates Act, but not consistently in the application of the Act at municipal level, resulting in financial strain on protected areas and botanical gardens  • Alleviating this financial strain would make an important contribution to the financial sustainability of protected areas and botanical gardens at a time when they are under significant budgetary pressure (By targeting a 50% reduction in property rates by 2024).  • Municipalities are required to be financially viable and property rates charges are one of the big revenue sources for municipalities (as per example, SANParks spent over R240 million per annum on property rates). The process of alleviating financial strain on protected areas will transfer the strain to Municipalities which will be met with resistance. It is therefore vital that the feasibility of a mechanism to address this potentially substantial loss of municipal revenue be explored to support municipalities, and ideally to even incentivize municipalities. To this end, the viability of through ecological fiscal transfers will be explored. |
| 1. Structure of the Finance Solution (100 words approx.) | 1. **Reducing the tax burden for protected areas**   The finance solution is providing legal and practical clarity on an existing property rates exclusion for protected areas (special nature reserves, national parks or nature reserves within the meaning of the Protected Areas Act and botanical gardens) which is not currently being applied in a manner which is favorable to protected areas. Currently DCOGTA has issued practice notes to municipalities to determine property rates for the specific areas indicated in the Local Government Municipal Property Rates Act, 2004, section 17 (1)(e), included the value of the area and the level of the rates to be levied.   1. **Ecological Fiscal Transfers**   To mitigate the loss of income that may result from the correct application of the Local Government Municipal Property Rates Act, 2004, the finance solution will explore the feasibility of implementing Ecological Fiscal Transfers in South Africa. |
| 1. Description of Activities and Milestones (150 words approx.) | Year 1 – 2020  **Reducing the tax burden for protected areas**   1. Preparatory phase where DFFE completed a legal opinion on interpretation of Section 17 of the Municipal Property Rates Act.   Year 2 – 2021  **Reducing the tax burden for protected areas**   1. DFFE supported by BIOFIN will engage South African Local Government, Cooperative Governance and Traditional Affairs, National Treasury and possibly others in order to explore options in principle. 2. BIOFIN will support DFFE to undertake technical assessment and associated work on a long-term solution likely to be within a national framework for property rates published under the Municipal Property Rates Act 3. BIOFIN will support DFFE regarding the development of a problem statement related to the application of the legislation.   **Ecological Fiscal Transfers**   1. BIOFIN will commission a study on the feasibility of implementing Ecological Fiscal Transfers in South Africa   Year 3-2022  **Ecological Fiscal Transfers**   1. BIOFIN will develop basic advocacy material to explain the working of EFT and its potential benefits for the country 2. BIOFIN will support DFFE to actively engage COGTA and National Treasury to enable support for the financial solution.   **Reducing the tax burden for protected areas**   1. BIOFIN will support DFFE, NT, SALGA and DCOGTA on widespread consultation on the national guidance and agreement. 2. Finalization and possible approval of national framework by National Treasury, SALGA and DCOGTA   Year 4 -2023  **Reducing the tax burden for protected areas**   1. BIOFIN will support DFFE, NT, SALGA and DCOGTA to communicate key aspects of the framework to stakeholders 2. DFFE will develop a budget memo for National Treasury including a qualifying criteria for protected areas to be excluded from property rates in terms of Section 17 of the MPRA 3. BIOFIN, working with DFFE, NT, SALGA and DCOGTA develop a financial impact report in a selected test case Municipalities on the application of rates policies   Year 5 - 2024**:** *Dependent on outcomes of studies and available budget*.  **Reducing the tax burden for protected areas**   1. ***IF additional funding is secured for this FS:* BIOFIN and DFFE will provide** Continued capacity development and M&E for the revised taxation system if successfully adopted.   **Ecological Fiscal Transfers**   1. BIOFIN could support the initial development and testing of EFT, if this proves to be a viable option for SA. The level of support will be depended on available budget (currently USD60,000 is allocated towards this. Ideally, a budget of USD USD 100,000 would be available for this). |
| 1. Institutional Arrangements (100 words approx.) | * DFFE will provide legal interpretation and lead consultations with NT, DCOGTA and SALGA. * BIOFIN will provide technical support to DFFE, Cooperative Governance and Traditional Affairs, and National Treasury engagement   + Management authorities, relevant provincial departments and municipalities will provide data on financial implications and impact * DOCGTA and SALGA will facilitate consultations with municipalities |
| 1. Main risks and management response for solution implementation (100 words approx..) | • Inability to reach a workable agreement with Cooperative Governance and Traditional Affairs, SALGA and National Treasury regarding proposed solutions. This will be mitigated by establishing a high-level political engagement between DFFE, Cooperative Governance and Traditional Affairs and National Treasury.  • Reluctance by SALGA, DCOGTA and NT to accept outcome of technical work to support problem statement. This will be mitigated by presenting alternative finance options for municipalities, namely ecological fiscal transfer to cushion financial impact.  **Management response:** Conduct detailed stakeholder mapping of main decision makers and their perceptions on the issue as baseline for an effective and targeted advocacy campaign.  • Reluctance of municipalities to review property rates policy to align to interpretive notes. This will be mitigated by enlisting DCOGTA and SALGA to facilitate consultation and participate in the test case.   * Reluctance to implement ecological fiscal transfers, due to fiscal constraints This will be mitigated by working with National Treasury on a mechanism to indirectly compensate municipalities with a high number of PAs vs rates base, through intergovernmental transfers that acknowledge the loss of revenue when PAs pay less/no property rates. This will also be mitigated through the crafting and implementation of an advocacy strategy targeted to relevant decision makers and their concerns. |
| 1. Sustainability and institutionalization (100 words approx..) | This finance solution will result in correct application and interpretation of legislative which will be through policy practice notes that will effect changes to municipal property policies. Municipalities will have access to policy guidelines to guide the design of their respective property rates that recognizes the intrinsic biodiversity value of protected areas.  BIOFIN’s role in this finance solution will be to provide technical support to what is essentially a government led process, which ensures strong buy-in from government counterparts.  The development of an ecological fiscal transfer-like mechanism for municipalities will mitigate against potential backlash resulting from municipality loss of revenue. |
| 1. M&E (100 words approx.) | Impacts of the solution will be assessed by the national team and reported to the global team every 6 months as part of the progress reporting process.  The BIOFIN core team in South Africa will monitor progress against the set activities on a quarterly basis.  M&E will be conducted in collaboration with DFFE and the UNDP M&E unit.  DFFE provides monthly progress reports on their aspects of the work to UNDP CO and UNDP BIOFIN global team, as part of the LoA agreement. |
| Impacts of the solution will be assessed by the national team and reported to the global team every 6 months as part of the progress reporting process and focusing on the main indicators listed below: | |
| **Global/Headline Indicators** | |

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| **Indicator** | **Baseline** | **Target** |
| Reduction property rates charged on protected areas / *Estimated avoided expenditures for biodiversity conservation* | R212million per annum spent on property rates by SANParks in 2016 | 50% reduction in property rates for SANParks by 2024  R106 million per annum spent on property rates by SANParks by 2024  ~USD7,7 million per annum |
| The exact amount spent by SANBI and other Management Authorities (Ezemvelo, KZN Wildlife, ECPTA, CapeNature) will be measured later in 2021. | 50% reduction in property rates for all these Management Authorities by 2024 |
| Number of stakeholders with increased basic knowledge on the subject of property rates and protected areas sustainability by participating in workshops | 0 in 2021 | 60 (with at least 30 women) by 2024 |
| **Project Management Indicators/milestones** | | |
| An advocacy strategy on reducing the tax burden for protected areas created and implemented  (this will only be achieved if funding is secured) | No advocacy strategy in 2021 | 1 advocacy strategy on reducing the tax burden in place by 2022 |
| An advocacy strategy on Ecological Fiscal Transfers created and implemented  (this will only be achieved if funding is secured) | No advocacy material on EFTs | At least 1 type of advocacy material for EFTs in place by end of 2022 |
| A technical Assessment of the application of rates and taxes on Protected Areas in South Africa | No technical Assessment in 2021 | 1 report published by 2022 |
| Development and application of a national framework on the application of municipal property rates | 0 framework on the application of municipal property rates is developed and applied | 1 Framework on the application of municipal property rates is developed and applied by all Municipalities by 2024 |

**SECTION 2 – FOR FINANCE SOLUTIONS APPROVED BY TECHNICAL ADVISOR ONLY**

Please provide the following information which will be included in next Workplan/Budget revision (or use actual Workplan document):

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|  | **Action Plan and Budget** | | | | | | | | |
| **Activities** | |  | **Timeframe** | | | | **Responsible actor/s** | **Funding source** | **Costs[[1]](#footnote-1) (USD)** |
| 2020 | 2021 | 2022 | 2023 | 2024 |
| **Preparatory activities (includes feasibility studies, stakeholder engagement, etc.):** | |  |  |  |  |  |  |  |  |
| Development of standardized interpretation and approach to Section 17 of the Municipal Property Rates Act | | X |  |  |  |  | DFFE and management authorities | DFFE | Staff time |
| Present concept to National Treasury and CoGTA and agree on interim approach on the challenges faced by protected areas | | X |  |  |  |  | DFFE Task Team | DFFE | Staff time |
| **Implementation** | |  |  |  |  |  |  |  |  |
| Technical assessment including the development of a problem statement regarding Section 17 of the MPRA and feasibility of Ecological Fiscal Transfers in South Africa | |  | X |  |  |  | BIOFIN and DFFE | BIOFIN | 70 000 |
| Engagement with National Treasury and COGTA | |  | X |  |  |  | BIOFIN and DFFE | BIOFIN | 0 |
| Development of a budget memo for National Treasury including a qualifying criteria for protected areas to be excluded from property rates in terms of Section 17 of the MPRA | |  |  | X |  |  | BIOFIN and DFFE | DFFE | 0 |
| Develop a national framework for municipal property rates policies | |  |  | X |  |  | BIOFIN and DFFE | BIOFIN | 30 000 |
| Creation of advocacy strategy and materials for property rates and EFTs | |  |  | X |  |  | BIOFIN | BIOFIN | UNFUNDED (estimated funding need USD10,000) |
| Validation | |  |  |  |  |  |  |  |  |
| Consultation with municipalities on national guidance and agreement | |  |  | X |  |  | BIOFIN and DFFE | BIOFIN | 30 000 |
| Test case in municipal property rates policies | |  |  |  | X |  | BIOFIN CORE TEAM and DFFE | BIOFIN | 20 000 |
| Alignment to property rates policies in municipalities | |  |  |  | X |  | Municipalities |  |  |
| Implementation | |  |  |  | X |  | Municipalities |  |  |
| Initial development and testing of Ecological Fiscal Transfers through a pilot | |  |  |  |  | X | BIOFIN |  | UNFUNDED (estimated funding need USD60,000) |
|  | **TOTAL** | | | | | | | | 220 000 |

**Annex 1: BIOFIN Scoring and Screening Questions**

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| **No** | **Questions** | **Indicative marks for scoring (1-5)** | **Score** |
| 1 | Is there a positive record of implementation? | 1= no, or limited records of success  3= successful pilots  5= yes, high potential of scalability | 3 |
| 2 | Will it generate, leverage, save, or realign a large volume of financial resources? | 1= minimal scale  2= <5 per cent of current expenditures / needs  3= 5-15 per cent of current expenditures / needs  4= >20 per cent of current expenditures / needs  5= game changer | 5 |
| 3 | Will financing sources be mobilized in a compatible timeline with needs? | 1 = no, the mobilization is not aligned with needs  3 = likelihood of being mobilized in alignment with needs  5 = yes, forthcoming and compatible schedules | 3 |
| 4 | Will financing sources be stable and predictable? | 1 = no, the source of revenue may be highly unstable and vulnerable to external factors  3 = likelihood of being reasonably stable and predictable source  5 = yes, very stable and predictable | 3 |
| 5 | Do the persons or entities paying have a willingness and ability to pay or invest? | 1 = no  3 = possibly  5 = yes | 3 |
| 6 | Are the financial risks adequately managed (e.g. exchange rate, lack of investors, etc.)? | 1 = no, high risks remain  3 = moderate risks  5 = yes, low residual risks | 3 |
| 7 | Are start-up costs onerous in comparison to the expected financial returns? | 1 = very costly (compared to returns)  3 = moderate (compared to returns)  5 = very low/minimal (compared to returns) | 3 |
| 8 | Does the solution improve incentives to manage biodiversity and ecosystems sustainably? (see Chapter 1). | 1 = not clear  3 = likely  5 = most certainly | 5 |
| 9 | Will the financial resources remain targeted to biodiversity over time? | 1 = not clear, high risk of misallocation  3 = likely, administrative provisions  5 = yes, strong legal provisions | 3 |
| 10 | Are risks to biodiversity (e.g. disrespect of mitigation hierarchy) low or easily mitigated? How challenging would it be to develop safeguards? | 1 = high risks, no easy mitigation  3 = reasonable risks, mitigation possible  5 = low risks, easy safeguards | 5 |
| 11 | Will there be a positive social and economic impact (e.g. jobs, poverty reduction and cultural)? | 1 = no  3 = moderate  5 = strong positive impact | 5 |
| 12 | Would there be a positive impact on gender equality, especially regarding participation in design and implementation or access to opportunities and benefits? | 1 = no  3 = moderate  5 = strong positive impact | 3 |
| 13 | Have risks of significant unintended negative social consequences been anticipated and managed? | 1 = no, high risks remain  3 = moderate and manageable  5 = yes, minimal residual risks | 5 |
| 14 | Will it be viewed as equitable and will there be fair access to the financial and biodiversity/ecosystem resources? | 1 = no, risk of inequitable outcome  3 = maybe  5 = yes | 5 |
| 15 | Is it backed by political will? | 1 = no, resistance from key stakeholders  3 = maybe  5 = yes, with public statements in support | 3 |
| 16 | Have political risks been anticipated and managed? | 1 = no, high risks remain  3 = moderate and manageable  5 = yes, minimal residual risks | 3 |
| 17 | Is buy-in among stakeholders (i.e. potential investors/ decision makers, implementers, and beneficiaries) sufficiently strong to counter potential opposition? | 1 = no  3 = partial buy-in  5 = yes, strong buy-in | 3 |
| 18 | Do the managing actor(s) have sufficient capacity? Can they rapidly acquire it? | 1 = no, severe capacity gap  3 = moderate capacity gap  5 = yes, strong capacity | 3 |
| 19 | Is it legally feasible? How challenging will any legal requirements be? | 1 = no, new law is required  3 = new regulations required  5 = yes, new regulations are not needed | 3 |
| 20 | Is it coherent with the institutional architecture, can synergies be achieved? | 1 = no, limited or no synergies / coherence  3 = potential synergies  5 = yes, fully coherent / large synergies | 3 |

1. Please add budget years if needed. [↑](#footnote-ref-1)