

**FINANCE SOLUTION Proposal Template**

 **(DO NOT PRINT – Save the planet)**

Country: South Africa Submission date: 23/06/21

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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  | *Development and implementation of a voluntary market-based certification scheme in the wildlife sector* |
| Concise Description (*Approx. 150 words*) | The exceptional biodiversity of South Africa provides a wide range of benefits to the country’s economy, society and human wellbeing. The sustained benefit flows that nature provides is dependent on functioning ecosystems, healthy species populations and genetic diversity. Increased investment in effectively managing, conserving and sustainably utilizing biodiversity by the public and private sector in South Africa has led to 13,2% (14,9m hectares) of South Africa being under conservation (including formally protected areas) and approximately 9,000 privately owned game ranches accounting for a further 17,7% (20m hectares) of the country. Significant tracts of pristine land under the custodianship of communities, land reform beneficiaries and new entrants to the sector could make a further substantial contribution to these amounts. There is a significant opportunity for the sector to yield inclusive rural economic growth and the creation of new biodiversity-related jobs and enterprises.The wildlife economy is a complex and multi-faceted commercial sector that includes a combination of agriculture, ecotourism and conservation activities. The primary objective of the wildlife ranching sector is to run profitable enterprises that encompass four broad types of activities, these being the animal husbandry of game animals (breeding and live sales), hunting, game products (including game meat production) and ecotourism. Wildlife ranches are managed along a continuum from intensive to extensive systems, providing different environmental benefits depending on their management objectives.The work that BIOFIN will support on the wildlife certification scheme is part of a broader workplan being implemented through DFFE in conjunction with other stakeholders. The Department of Environment, Forestry and Fisheries (DEFF) is the convenor of the initiative to develop the Wildlife Economy Certification Scheme, with key contributing stakeholders drawn from national and provincial conservation agencies, industry associations, environment sector civil society and other national and provincial departments. The scheme is being developed under the auspices of the Wildlife Forum. The current implementation has 5 components**Component 1:** Ensure active stakeholder engagement throughout the development of the Certification Scheme. Should additional funding be secured, BIOFIN will support the achievement of this component by appointing a communications expert to develop and implement an advocacy and PR plan to communicate the objectives, processes and key concepts related to the development of the Certification Scheme. **Component 2:** Improve the understanding of the market dynamics and potential Certification Scheme incentives of the wildlife economy. BIOFIN will support this by commissioning a report that clearly articulates the development case and the business case for the certification scheme.**Component 3:** Develop a monitoring framework for continuous land management improvement on agro-ecological game ranching production units. BIOFIN will support the refinement of the spatial database (developed by SANBI) through a ground-truthing exercise and establish mechanisms to enhance the quality and currency of the database.**Component 4:** Pilot and improve the certification scheme. BIOFIN will support this by providing technical and financial support to - pilot the assessment of several game ranches based on the standards developed and refine standards where necessary.- refine the detail on the proposed certification scheme design and start up processes with the help of input from a certification specialist with experience in developing schemes in South Africa. **Component 5:** Raise awareness of the Certification Scheme as a trusted mark of sustainable use of wildlife resources. BIOFIN will support DFFE to conduct national stakeholder engagement of the proposed certification scheme including the development and business case. This engagement will also aim to counter the prevailing negative perceptions and narratives around sustainable use of wildlife (including hunting).The proposed voluntary market-based certification scheme for the wildlife industry will provide a verifiable mechanism to accurately quantify and evaluate the sector’s contribution to biodiversity conservation and sustainable development. The scheme is envisaged to be based on sustainability standards that are developed jointly through extensive consultation between government departments with different mandates, the established private sector, research institutions, civil society, new entrants such as communities and emerging game ranchers. The scheme will seek to ensure that the objectives of economic growth, transformation and sustainability are met and thereby create an evidence-based framework to evaluate the sector’s performance across the triple bottom line of environment (with a primary focus on contribution to biodiversity conservation), financial and social measures to create greater business value. This finance solution is intended to achieve the following objectives: * Increase the amount of sustainably managed land in the wildlife sector.
* Encourage sustainable practices in the wildlife sector, and increase private wildlife ranchers’ contribution to biodiversity conservation (species and landscape level);
* Provide a systematic means of improving industry reputation; and
* Stimulate inclusive growth in the industry.
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| Contribution to SDGs | **SDG 11- Make cities and human settlements:** Inclusive, safe, resilient and sustainable: With the increasing urbanisation of South Africa, wildlife ranches have a unique role to play in providing opportunities for urban dwellers to reconnect with the countryside and to understand the environmental linkages between rural areas and urban centres.**SDG 12 – Responsible consumption and production**: A certification scheme will encourage compliance with responsible means of production. **SDG 15 – Life on Land**: The goal’s aim is to protect, restore and promote the sustainable use of living natural resources and their habitats. These aims are all relevant well-managed and responsible wildlife ranches.  |
| Contribution to Aichi Targets / National Targets | **AICHI 7:** By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.**AICHI 11:** Well-governed and effectively managed protected areas are a proven method for safeguarding both habitats and populations of species and for delivering important ecosystem services.**NBSAP 1:** Management of biodiversity assets and their contribution to the economy, rural development, job creation and social well-being is enhanced. |
| Implementing / Strategic partners (if other than UNDP) | Department of Forestry, Fisheries and Environment (DFFE) provincial protected area agencies and industry associations that are members of the Wildlife Forum, South African National Biodiversity Forum. |
| Start and End Date | 2020- 2025 |

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| **Finance Results** |
| Solution Category/ies from the [BIOFIN Catalogue](http://www.biodiversityfinance.net/finance-solutions) | Sustainability Standards and Certification (voluntary) /  |
| Relevant Finance Result(s) | 1) Mobilizing Resources 2) Delivering Better 3) Re-aligning existing resources 4) Preventing future costs |
| Estimated Finance Result | Increased investment in effectively managing, conserving and sustainably utilizing biodiversity by the public and private sector in South Africa has led to 13,2% (14,9m hectares) of South Africa being under conservation (including formally protected areas) and approximately 9,000 privately owned game ranches accounting for a further 17,7% (20m hectares) of the country. Significant tracts of pristine land under the custodianship of communities, land reform beneficiaries and new entrants to the sector could make a further substantial contribution to these amounts.It is estimated that game ranchers owning 2 million hectares of land will be certified under the proposed sustainability scheme by December 2022. It is further estimated that 10% of this total would be assessed as Other Effective Conservation Measures (OECMs), thereby contributing 200,000 hectares of privately or communally held land to the conservation estate. There is a significant opportunity for the sector to yield inclusive rural economic growth and the creation of new biodiversity-related jobs and enterprises, whilst effectively monitoring the biodiversity conservation contribution of the sector. |
| Finance Source | Private |
| Sector | Wildlife |
| Instrument Type | Market and Regulatory |

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 460,000 |
| **Total resources allocated:** | **BIOFIN** | USD 215,000 |
| **Government of South Africa (DFFE, SANBI, DALRRD)****In-kind** | USD165,000  |
| **Wildlife Industry In-kind: (WRSA and other associations)** | USD 50,000 |
| **Unfunded** |  |

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| **Main Proposal and approach** |
| 1. Background information *(150 words approx.)*
 | South Africa has developed a Biodiversity Economy Strategy (BES) that serves as a guide for the sustainable growth of the wildlife economy, ecotourism and bioprospecting sectors. The BES provides a basis for addressing constraints for growth, ensuring sustainability, identifying clear stakeholder responsibilities, and monitoring progress of the enabling actions identified in the strategy. A key focus of the BES is on providing an enabling environment for communities and entrepreneurs to participate in the biodiversity economy, while contributing to poverty alleviation, sustainable development and conservation of the country’s biodiversity. South Africa’s wildlife sector has been growing consistently faster than the general economy for several years, contributing R3 billion to GDP in 2014 – almost double the contribution made by the sector in 2008. The Biodiversity Economy Strategy estimates that the sector’s GDP contribution could be R14 billion by 2030. The National Biodiversity Assessment (NBA) 2018 estimates that the total biodiversity-related employment was 388,000 jobs, 70,000 of which were in the ‘conserving biodiversity’ category, and 318,000 from the ‘using biodiversity’ sector which is further broken down into 86,000 in non-consumptive use of biodiversity activities such as photographic tourism and 232,000 in the extractive use of biodiversity activities such as the game ranching and hunting (65,000), fisheries, trade in traditional medicines and indigenous tea production. In 2019 BIOFIN funded the development of a report on the viability of wildlife certification from the supply side. The report concluded that a certification system would have positive impacts on the wildlife economy. It could reassure hunters that they can visit wildlife ranches in South Africa without supporting unsustainable or unethical practices, and that their choice of tourism or hunting location in South Africa can also make a contribution to biodiversity conservation. Similar logic would apply to the certification of South African meat and animal products.Currently due to COVID19, the tourism sector in South Africa is experiencing difficult economic times with Stats SA reporting significantly lower tourisms numbers in 2020 compared to 2019 (just over 15, 8million in 2019 to less than 5 million in 2020). Scholars have cited encounters with undomesticated animals as one of the key tourism drivers in South Africa contributing to numbers visiting protected areas. As such COVID19 has had a detrimental impact on wildlife industry of South Africa. We assume that in a 2-3 years tourism with the right stimulus will be back to 2019 numbers making this finance solution on certification essential.The Wildlife Economy aspiration articulated under the Biodiversity Economy Phakisa in 2016 aims to create an inclusive, sustainable and responsive wildlife economy that grows at 10% p.a. until at least 2030, while providing a foundation for social well-being and maintaining the ecological resource base. The development of a voluntary, market-driven certification scheme for the wildlife industry was identified as a viable intervention to recognise and harness the contribution of the wildlife ranching sector to the biodiversity economy as a primary objective and biodiversity conservation as a possible secondary outcome, while at the same time adequately mitigating reputational and ecological risks and reducing negative impacts on ecosystem services, thereby improving the industry’s image in a competitive international market. The sector contributes to biodiversity conservation in South Africa, but there is currently no objective mechanism to quantify this contribution. Wildlife ranches are managed along a continuum from intensive to extensive systems, providing different environmental benefits depending on their management objectives. Certification is a mechanism which indicates that certain standards have been met in a production system. In this case, it would be a non-government, market-driven approach to incentivize environmentally sustainable practices; adequately mitigate risk or environmental impacts of production; and optimize business operations and practices. Benefits could include aspects related to easing the regulatory burden at provincial and national levels with potential cost savings or operational efficiencies made possible through a fundamentally more cooperative approach between key parties. Given the reputational risk of trophy hunting and intensive breeding practices, certification may help to not only improve practices, but also ‘re-brand’ sustainable use in South Africa and gain greater access to international markets. The certification scheme is envisaged to help improve the resilience of the sector while at the same time helping to secure biodiversity and ecosystem services as a global public good. Tailored extension services and mentorship programs could be designed to ensure emerging wildlife ranchers are supported to access the opportunities in the sector. Harnessing adaptive management, and continual improvement practices and industry-wide advocacy could lead to significantly increased biodiversity conservation outcomes on private and communal land. Investment in restoring and maintaining ecological infrastructure should be approached as a long-term endeavour and should be an opportunity to create long-term employment and labour-intensive activities, many of which would be located outside major urban centres.The certification scheme would fall under the National Environmental Management: Biodiversity Act, 2004 (NEMBA). However, there are links to the Conservation of Agriculture Resources Act.Links are currently being explored between this finance solution and the financial solutions on the online investment portal and stewardship. We also intend to position both as incentives for those willing to join the certification scheme * Currently some of the stewardship sites which are to be profiled on the investment platform have interest in pursuing wildlife activities which could be certified
* The online platform will also profile some wildlife projects that are currently being developed by DFFE in the greater Kruger area.
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| 1. Objective(s) and Results expected *(100 words approx.)*
 | **Overall Objective:** To design and implement a sector-wide voluntary market-based certification scheme that is supported by key sector stakeholders and that incentivises environmentally and socially sustainable practices, including contributing to biodiversity conservation. The intention is for this system to be cost effective while maintaining a high standard, rewarding exemplary practices. It should be recognized by national and international markets, and ideally be an international benchmark for the sector.The key objectives of the proposed certification scheme would be to:* Increase the amount of sustainably managed land in the wildlife sector.
* Encourage sustainable practices in the wildlife sector, and increase private wildlife ranchers’ contribution to biodiversity conservation (species and landscape level);
* Provide a systematic means of improving industry reputation; and
* Stimulate inclusive growth in the industry.

Results expected: 1. Greater access to markets and improved financial returns for wildlife ranchers with sustainable practices, including sustainable biodiversity management
2. Verifiable contribution to biodiversity conservation and harnessing of adaptive management principles at the enterprise level.
3. Develop a finance mechanism for support of sustainable wildlife ranching and harnessing the private sector to support the recovery of threatened species or landscapes.
4. Greater collaboration amongst all stakeholders at a local, regional and national level
5. Extension services institutionalized to mainstream sustainable wildlife ranching practices, especially for new entrants.

Increased profile of the industry as an internationally recognized sustainable use advocate |
| 1. Gender Aspects
 | *The following gender aspects will be included.** 20% of training participants will be women.
* 30% of survey teams will be women.

*(Training is to be done for people conducting the surveys on wildlife certify cation)* |
| 1. Business Case (*Approx. 150 words*)
 | The Biodiversity Economy Strategy estimates that the sector’s GDP contribution could be R14 billion by 2030. According to DFFE, Increased investment in effectively managing, conserving and sustainably utilizing biodiversity by the public and private sector in South Africa has led to 13,2% (14,9 million hectares) of South Africa coming under conservation (including declared Protected Areas, Biosphere Reserves and World Heritage Sites).It is estimated that new entrants including land under the custodianship of communities and land reform beneficiaries and new entrants to the sector will be part of the wildlife ranching community in the near future potentially making a further substantial contribution if sustainable land management is practiced. This Financial Solution presents an opportunity for the wildlife sector to yield inclusive rural economic growth and the creation of new biodiversity-related jobs and enterprises. The carrying out of certification will provide assurance that standards in a system have been met and is usually accompanied by the right to mark products with an associated label. Through certification there is potential for producers to gain benefits in the form of increased income from higher prices, access to new markets and decreased administrative burdens. New and innovative funds and initiatives such as the IUCN Green List of Species could provide ways in which the private wildlife ranching sector could be further be incentivized to support initiatives aimed as threatened species that comply with international guidelines on the wildness scale.  |
| 1. Structure of the Finance Solution *(100 words approx.)*
 | A market-based certification scheme, voluntarily applied on communal and private game ranches, with supporting extension services, will improve ecosystem and species management outcomes of the game ranches. The certification scheme will be based on collaboratively developed standards relating to environmental, social, ethical and financial issues and will allow certified game ranches to demonstrate their contribution to biodiversity conservation and other socio-economic indicators. Wildlife ranching enterprises could apply for certification. It is currently being discussed as to whether the certification would be managed through a private sector company or NGO type vehicle (lessons will be learnt from existing certification schemes and consultations with the wildlife industry will be taken into account). The vehicle will monitor quality and put in place mechanisms for 3rd party verification. |
| 1. Description of Activities and Milestones *(150 words approx.)*
 | 1. DFFE and SANBI will develop of a spatial database for the mapping of game ranches in South Africa in partnership with Wildlife Ranching South Africa (WRSA).
2. DFFE supported by BIOFIN will conduct assessments of candidate sites to determine eligibility in various existing frameworks such as OECMs and Verifiable Conservation Areas.
3. DFFE and BIOFIN will engage with provinces on the development case and the business case for the certification scheme in preparation for national stakeholder engagement with stakeholders at provincial and national levels. Discussion will also include assessment of extent and capacity of support to the wildlife ranching sector, Biodiversity Economy support opportunities within the context of the District Delivery model and an exploration of what kind of extension support could be made available to new sector entrants. BIOFIN will support DFFE to conduct a demand-side study to determine what factors would drive a certification study from a user perspective. This will be enable participating game ranches can better position themselves to take advantage of opportunities that emerge from such a study, and to refine strategies to consider further insights.
4. DFFE and BIOFIN will undertake field visits with industry representatives to investigate practical and operational aspects of other certification systems in primary sectors such as forestry and fishing industries. Links will also be made with the UNDP commodities programme to share lessons learnt.
5. BIOFIN will support DFFE in stakeholder engagement across the country to present and discuss the development case and the business case for the certification scheme, and to get an idea of what kind of transformation support through formal and/or informal mentorships and partnerships are being undertaken. This activity will also involve the development of communication materials such as short videos, social media graphics, flyers and brochures.
6. SANBI and BIOFIN will support the development of sustainability standards for wildlife ranching for the landscape level, species wildness continuum and individual sector activities. The process of the development of standards will be a consultative and inclusive process involving different actors including DFFE, WRSA and game ranch owners. The wildlife task team will drive this process up until the point where state regulated norms and standards may be developed. A wide range of industry stakeholders will be involved in the development phase.
7. DFFE will develop a game ranch management plan template that addresses the criteria defined in the sustainability standards including template for a periodic conservation performance report that includes conservation outcomes (measured results of conservation actions), lessons learned (shared experiences on addressing threats and realizing opportunities, adaptive management (revisions of the conservation programmes).
8. DFFE will pilot the assessment of several game ranches based on the standards developed, refine standards where necessary. Many certification schemes fail, either in the short- or long-term. Given the substantial amount of time and money that will be required to develop a certification scheme (and the considerable effort that has already been made) and given the likely benefits for the economy and conservation, a successful outcome is highly desirable. Piloting the scheme will be a critical step in ensuring a robust certification scheme that is supported by local and international markets and recognised by the international community. Reference is made to the broader implementation plan for the Finance Solution
9. BIOFIN will provide technical support to DFFE and SANBI to refine the detail on the proposed certification scheme design and start up processes getting help on input from a certification specialist with experience in developing schemes in South Africa. The design of the scheme will include the institutional setup and a clear outline of the third-party auditing process to provide additional assurance to stakeholders. The design of the scheme will also include a M&E strategy which will be rolled out along with the certification scheme as recommended by the studies that will be undertaken within this Financial Solution.
10. DFFE will outline range of benefits linked to participation in the scheme.
11. DFFE with lead the development of a Biodiversity Economy brand that would be linked to this certification scheme and develop a public relations campaign. BIOFIN will support DFFE to conduct national stakeholder engagement of the proposed certification scheme. This engagement will also aim to counter the prevailing negative perceptions and narratives around sustainable use of wildlife (including hunting).
12. DFFE will provide marketing and advocacy support for the certification scheme. in the first 3 years to roll out the new scheme. A certification scheme will only be successful if it is widely known and adopted; it will only be used if people see value in it. Demonstrating that the scheme genuinely supports better land management, ecosystem services and economic growth in an ecologically sustainable way and making this widely known will help promote the widespread use of the scheme. This kind of market development through promotional campaigns and private-public partnerships with suppliers and tourism agencies can form part of the advocacy strategy. This work is already set out in the DFFE implementation strategy document and will be done through DFFE. This activity will be covered by DFFE through its broader wildlife certification implementation plan.
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| 1. \Institutional Arrangements *(100 words approx.)*
 | The finance solution will be implemented jointly by the BIOFIN core team, SANBI and DFFE. The already existent task team with members from government, private and non-profit organization stakeholders will periodically report to the South African BIOFIN core team and the Wildlife Forum. SANBI forms part of the existent task team and will provide technical input and co-financing. EWT (Endangered Wildlife Trust, a national NGO) forms part of the task team providing technical input. Other task team members will be invited from Wildlife Ranching South Africa and the Department of Agriculture, Land Reform and Rural Development (DALRRD) both which are part of the wildlife forum. The Task Team will determine the scope of specialist studies as described in the activities above.  |
| 1. Main risks and management response for solution implementation *(100 words approx..)*
 | The main risks associated with this solution is limited uptake of the proposed scheme by the ranching sector and potential consumers. This will be mitigated through stakeholder engagement with the sector where the certification scheme is introduced and tested. It can also be mitigated through clearly showing prospective ranchers evidence of increased market share should they join the scheme (especially internally) and other benefits of operating under an eco-label. DFFE will also provide marketing and advocacy support for the certification scheme as a means of mitigating this risk.Environmental: There is a risk of green washing where the scheme is seen as a as a marketing tool to demonstrate Environmental, Social and Governance (ESG) responsibility. The mitigation will be to build-in a good robust certification scheme qualifying criteria with strong input from the biodiversity experts, as well as independent auditing processes to avoid green washing. Specific biodiversity safeguards such as highest possible standards for endangered species, species diversity, predator management, hunting methods, breeding practices, contribution to conservation and ecological management will form part of the certification scheme.Social Risks: Negative perception on the wildlife economy activities such as trophy hunting and captive breeding of wildlife. This will be mitigated through communication on the value of sustainable use as a conservation strategy.  |
| 1. Sustainability and institutionalization *(100 words approx..)*
 | The development of a wildlife ranching certification scheme is part of the DFFE-developed Biodiversity Economy Strategy, a priority of the Department. BIOFIN is bringing resources and expertise to support DEFF in developing this tool. The process of engagement and collaboration with the wildlife industry on the development of the certification scheme and the standards will ensure that broad consensus is reached on the development and business case for the scheme. The development of the certification scheme will be jointly managed through the establishment of a Certification Scheme task team with a clear mandate and with representation of key stakeholders provides an opportunity to develop a broad-based consensus as to how the Certification Scheme will be structured and operators. It is envisaged that an independent entity will be set up to ensure third-party audits of individual game ranch assessments against the standards that have been developed. The suite of benefits built into the business case for the scheme would ensure that the benefits of participating in the scheme outweigh the administrative and financial costs of compliance, thereby ensuring long-term sustainability of the mechanism. |
| 1. M&E *(100 words approx.)*
 | The primary tool of the certification scheme is envisaged to be the game ranch management plan, with a periodic report addressing required indicators across the triple bottom line. An independent verification process would provide an added measure of compliance monitoring. Success of the financial solution will be measured by monitoring * Progress towards achievement of set activities
* Collation of Government statistics on the economic contribution of the wildlife sector
* The progress towards the set up of the certification scheme

BIOFIN and DFFE will monitor progress on a quarterly basis throughout the life of the project. DFFE will monitor impact of the Financial Solution post the life of the project. |
| 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:  |
| **Project Management INDICATORS** |
| **Indicator**  | **Baseline** | **Target** |
| New sustainability standards underpinning the certification scheme developed and adopted by stakeholders | No new standards developed in 2021 | Set of new standards developed by end of 2022 |
| Business case and demand study for the certification scheme published | 0 in 2021 | 1 publication (business case and demand study) by end of 2022 |
| Number of female owned game ranches supported to become certified | 0 in 2021 | 10 by 2024 |
| Spatial Database of game ranches developed | to be determined | 1 by 2024 |
| **GLOBAL/Headline Indicators** |
| Stakeholders with increased basic knowledge on the specific finance solution by participating in trainings by 2025 | To be determined |  40 by 2024 |
| Percentage of game ranches certified. | 0 % potential conservation area under game ranch management certified. | 1-5% (200 000 – 1 million ha) of private/communal game ranches certified by 2025. |
| Percentage of potential conservation area (assessed Other Effective Area-Based Conservation) under game ranch management certified. | 0 % potential conservation area under game ranch management certified. | 0,5% (100 000 ha) of private/communal certified game ranches assessed as OECMs by 2025 |

**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 (USD)** |
| 2020 | 2021 | 2022 | 2023 | 2024 |
| Undertake assessment of the biodiversity contributions of the ranching sector on a suitable number (to be determined) of candidate sites. |  | X |  |  |  | DFFEBIOFIN | BIOFIN | 50 000 |
| Develop a spatial database for the mapping of wildlife ranches in South Africa |  | X |  |  |  | DFFEBIOFINSANBI | BIOFINSANBI | 15 00080 000 |
| Develop a demand study to determine what factors would drive a certification study + a business case for the benefits associated with certification for the wildlife ranching sector and wider economy. from a user perspective |  | X | X |  |  | DFFE BIOFIN | BIOFIN | 80 000 |
| Design of certification system |  |  | X |  |  | DFFE BIOFIN WRSA | BIOFINWRSA | 40 00050 000 |
| Undertake stakeholder visits with ranching stakeholders to test whether the certification mechanism is acceptable and discuss demand study outputs |  | X | X | X | X | DFFE BIOFIN  | BIOFIN | 10 000 |
| Development of sustainability standards |  |  | X |  |  | DFFEBIOFIN | DFFESANBI | 50 000 |
| Development and testing of Game ranch management plan template + further refinement |  |  |  | X |  | DFFESANBIBIOFIN | DFFESANBI | 15 000 |
| **Implementation** |  |  |  |  |  |  |  |  |
| Pilot certification system |  |  |  |  | X | DFFEBIOFIN | BIOFIN | 20 000 |
| Development of a Biodiversity Economy brand that would be linked to this certification scheme and develop a PR campaign  |  |  |  | X | X | DFFE | DFFE | 20 000 |
| Rolling out of PR and Advocacy plan |  |  |  | X | X | DFFE | DFFE | In Kind  |
|  | **TOTAL** | 460 000 |

**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 success3= successful pilots5= yes, high potential of scalability | 3 |
| 2 | Will it generate, leverage, save, or realign a large volume of financial resources? | 1= minimal scale2= <5 per cent of current expenditures / needs3= 5-15 per cent of current expenditures / needs4= >20 per cent of current expenditures / needs5= game changer | 3 |
| 3 | Will financing sources be mobilized in a compatible timeline with needs? | 1 = no, the mobilization is not aligned with needs3 = likelihood of being mobilized in alignment with needs5 = 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 factors3 = likelihood of being reasonably stable and predictable source5 = yes, very stable and predictable | 3 |
| 5 | Do the persons or entities paying have a willingness and ability to pay or invest? | 1 = no3 = possibly5 = yes | 3 |
| 6 | Are the financial risks adequately managed (e.g., exchange rate, lack of investors, etc.)? | 1 = no, high risks remain3 = moderate risks5 = yes, low residual risks | 5 |
| 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) | 5 |
| 8 | Does the solution improve incentives to manage biodiversity and ecosystems sustainably? (See Chapter 1). | 1 = not clear3 = likely5 = most certainly | 5 |
| 9 | Will the financial resources remain targeted to biodiversity over time? | 1 = not clear, high risk of misallocation3 = likely, administrative provisions5 = 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 mitigation3 = reasonable risks, mitigation possible5 = low risks, easy safeguards | 5 |
| 11 | Will there be a positive social and economic impact (e.g., jobs, poverty reduction and cultural)? | 1 = no3 = moderate5 = strong positive impact | 3 |
| 12 | Would there be a positive impact on gender equality, especially regarding participation in design and implementation or access to opportunities and benefits? | 1 = no3 = moderate5 = strong positive impact | 3 |
| 13 | Have risks of significant unintended negative social consequences been anticipated and managed? | 1 = no, high risks remain3 = moderate and manageable5 = yes, minimal residual risks | 3 |
| 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 outcome3 = maybe5 = yes | 3 |
| 15 | Is it backed by political will?  | 1 = no, resistance from key stakeholders3 = maybe5 = yes, with public statements in support | 5 |
| 16 | Have political risks been anticipated and managed?  | 1 = no, high risks remain 3 = moderate and manageable5 = yes, minimal residual risks | 5 |
| 17 | Is buy-in among stakeholders (i.e. potential investors/ decision makers, implementers, and beneficiaries) sufficiently strong to counter potential opposition? | 1 = no3 = partial buy-in5 = yes, strong buy-in | 3 |
| 18 | Do the managing actor(s) have sufficient capacity? Can they rapidly acquire it? | 1 = no, severe capacity gap3 = moderate capacity gap5 = yes, strong capacity | 5 |
| 19 | Is it legally feasible? How challenging will any legal requirements be? | 1 = no, new law is required3 = new regulations required5 = yes, new regulations are not needed | 5 |
| 20 | Is it coherent with the institutional architecture, can synergies be achieved? | 1 = no, limited or no synergies / coherence3 = potential synergies5 = yes, fully coherent / large synergies | 3 |