

## PPG REQUEST FOR GBFF PROJECTS

24 March 2024

### GENERAL PROJECT INFORMATION

Project Title:	Reimagining National Parks for People and Nature – Leveraging Durable Financing Mechanisms for Mega Living Landscapes (MLL) to achieve Target 3 in South Africa		
Country:		GEF Project ID:	
GEF Agency(ies):	WWF-US	GEF Agency Project ID:	G0059
Anticipated Executing Entity(s) and Type:			
	SANParks	Government	
GEF Focal Area(s):	Biodiversity	Submission Date:	1 April 2024
Type of Trust Fund:	GBFF	Project Duration (Months)	72
GEF Project Financing: (a)	4,437,156	PPG Amount (c):	150,000
Agency Fee(s): (b)	399,344	PPG Agency Fee(s) (d):	13,500
Total GEF Financing: (a+b+c+d)	5,000,000	Total Co-financing:	
Project Tags:	<input checked="" type="checkbox"/> Support IPLC Contributions to the implementation of: <input type="checkbox"/> GBF Target 1 <input type="checkbox"/> GBF Target 2 <input checked="" type="checkbox"/> GBF Target 3 <input type="checkbox"/> GBF Target 4 <input type="checkbox"/> GBF Target 5 <input type="checkbox"/> GBF Target 6 <input type="checkbox"/> GBF Target 7 <input type="checkbox"/> GBF Target 8 <input type="checkbox"/> GBF Target 9 <input type="checkbox"/> GBF Target 10 <input type="checkbox"/> GBF Target 11 <input type="checkbox"/> GBF Target 12 <input type="checkbox"/> GBF Target 13 <input type="checkbox"/> GBF Target 14 <input type="checkbox"/> GBF Target 15 <input type="checkbox"/> GBF Target 16 <input type="checkbox"/> GBF Target 17 <input checked="" type="checkbox"/> GBF Target 18 <input checked="" type="checkbox"/> GBF Target 19 <input type="checkbox"/> GBF Target 20 <input type="checkbox"/> GBF Target 21 <input checked="" type="checkbox"/> GBF Target 22 <input checked="" type="checkbox"/> GBF Target 23		

Project Objective:	To enhance the effective establishment and management of Mega Living Landscapes (MLLs) in South Africa by developing and implementing durable financial mechanisms for them.					
Project Components	Component Type	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Co-fi

<p>1. Enabling conditions for durable financial mechanisms to effectively establish &amp; manage SA's MLLs.</p>	<p>TA</p>	<p>1.1 Suite of durable financial mechanisms for MLLs developed &amp; approved by SANParks.</p> <p>1.2 SANParks has increased capabilities to mobilise and disburse increased revenue for MLLs.</p>	<p>1.1.1 Identification and feasibility study of a suite of durable finance mechanisms and CTFs.</p> <p>1.1.2 Undertake a feasibility assessment for a Project Finance for Permanence (PFP) for MLLs.</p> <p>1.1.3 At least two of the above mechanisms developed into detailed implementation plans, including explicitly showing how benefits will accrue to IPLCs.</p> <p>1.2.1 Options study reviews current architecture of SANParks to mobilise &amp; implement financial resources for MLLs and proposes improvements, including how to increase required capabilities.</p> <p>1.2.2 Improvements in capabilities approved by SANParks and DFFE and steps towards implementation begins.</p>	<p>GBFF</p>	<p>1,553,004</p>	
<p>2. Resources mobilised and activities on the ground.</p>	<p>TA</p>	<p>2.1 Enhanced resource mobilization &amp; domestic capabilities secure sustainable financing resources for MLLs.</p> <p>2.2 New PAs declared and conservation areas added and</p>	<p>2.1.1 Implementation of at least two of the financial mechanisms under 1.1.1/2.</p> <p>2.1.2 Long term (20 years) forecast model &amp; rolling three-year Financing Plan to deliver the MLL developed &amp; utilized.</p> <p>2.1.3 Capacity building plan to ensure SANParks &amp; MLL management team utilizes the forecast model as a financial management tool developed and implemented.</p> <p>2.2.1 Technical support to consult, identify, assess, and prepare legal &amp; technical</p>	<p>GBFF</p>	<p>1,198,032</p>	

		effectively managed as a result of increased revenue.	documentation required for declaration of PAs and addition of conservation areas.  2.2.2 Effective management of existing PAs increased by new systems, TA and training for sufficient budget, security of budget and management of budget.			
3. Increased IP&LCs participation in MLLs.	TA	3.1 Increased engagement of IP&LCs for improved stewardship in MLLs.  3.2 Increase IP&LCs socio-economic benefits and resilience through and from the MLLs.	3.1.1 Training and coaching for IP&LCs empowers participation in MLL platforms, and their ability to effectively negotiate and lead stewardship agreements.  3.1.2 Technical assistance and operational support to ecorangers and IP&LCs for improved rangeland management in terms of stewardship agreements.  3.2.1 Local enterprise & livelihood opportunities identified with IP&LCs  3.2.2. Medium-term business incubator support provided to build the capabilities of IP&LCs to take up opportunities identified in 3.2.1.  3.2.3 Market opportunities secured for IP&LC's businesses identified in 3.2.1.	GBFF	1,331,147	
Project M&E	TA	Effective project M&E.	Project monitoring including independent mid-term and terminal evaluation.	GBFF	143,680	
Subtotal				GBFF	4,225,853	
Project Management Cost (PMC) (if this is an MTF project, please report separate PMC lines for each TF). ***If amount requested is above limits, a pop-up menu should open for the Agency to provide an explanation***				GBFF	211,293	

<b>Total Project Cost</b>		4,437,156	
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1) Project Rationale

South Africa (SA) is one of the 17 megadiverse countries that host most of the world’s biodiversity and has large numbers of species found nowhere else. SA has committed towards achieving 30 x 30 - which requires an additional 13.35% of land and inland freshwater resources, and 15.3% of its marine areas – with the establishment of Mega Living Landscapes (MLLs) being a key strategy towards achieving this. Once achieved, the SANParks catalysed MLLs will contribute an additional 12.3% (approx 14mil hectares) towards the land conservation targets.

MLLs will be created as a mosaic of conservation and production landscapes, with different legal statuses and management regimes depending on their land type and use. The range of these areas includes the highest form of declared national protected areas with exclusion zones for certain wildlife and ecosystems or species, OECMs, conservation-compatible sustainable land uses and regenerative agriculture, and buffer zones where non-conservation compatible land uses, such as cultivation, occur. The aim is to bring about ecological sustainability while simultaneously unlocking significant social and economic benefits, as these landscapes will enable thriving pro-nature rural economies to be expanded and built.

MLLs address three core barriers to protected area expansion – they create a new vision and biodiversity value proposition that can unlock existing communal and private land and resources for conservation-compatible land uses; they hold the potential for pro-nature economic development that benefits local communities; and they include a key connectivity strategy to manage climate change impacts.

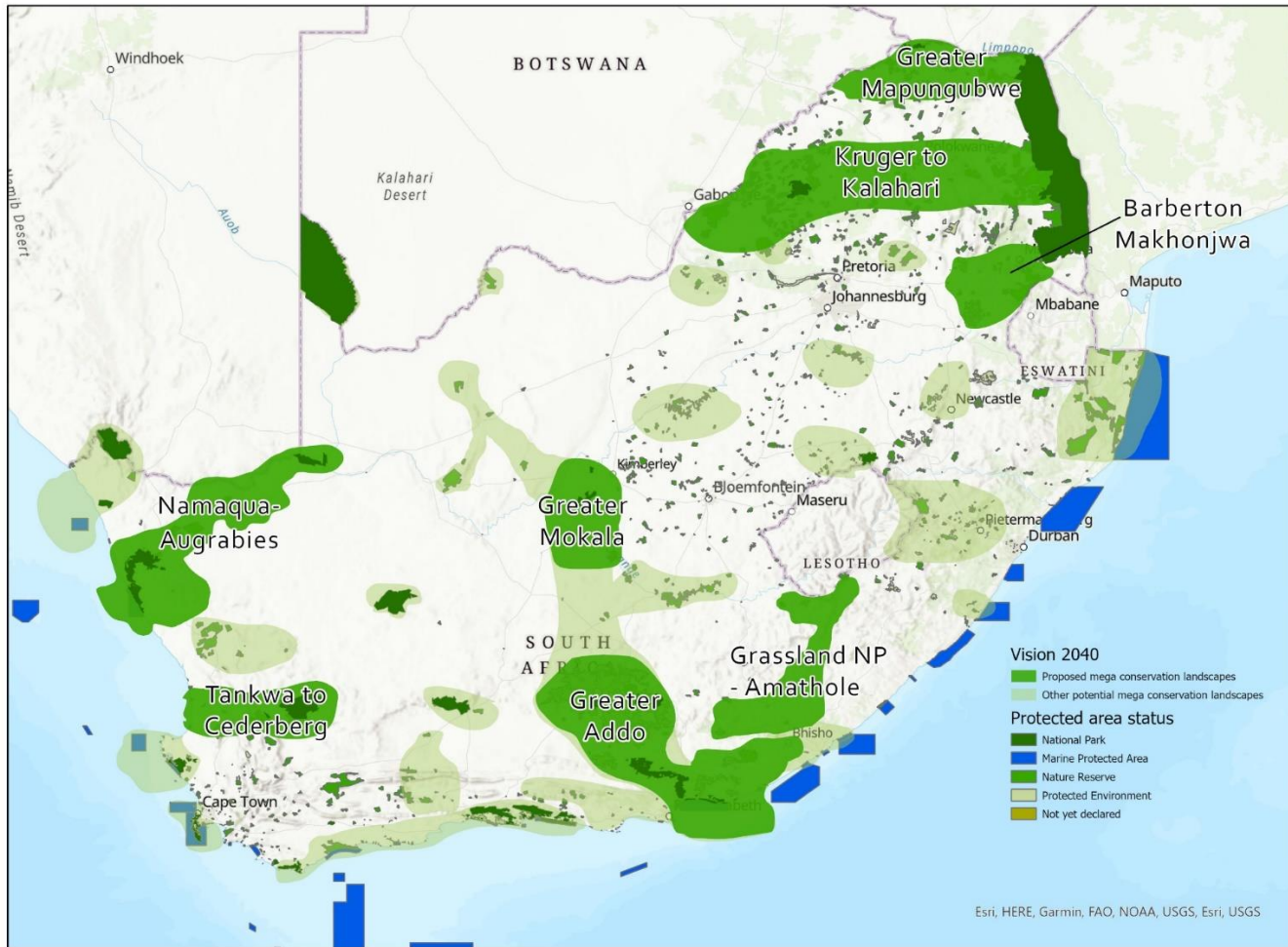
But a key barrier to achieving Target 3 goals in SA is the lack of **sufficient and predicible financing** over the long term for the establishment and management of MLLs. This project’s aim is to tackle this barrier by developing and beginning implementation of durable financial mechanisms for MLLs.

The baseline for SANParks is that if they continue to expand PAs and conservation areas based on a business as usual approach it will take more than 5 decades to double its current PAN. SANParks receives about 20% of its annual required operational budget from the national fiscus, being required to generate the rest itself, predominantly from tourism<sup>1</sup>. SANParks is the largest self-owned and managed, self-catering tourism operator in the country, managing more than 15,000 beds, but is still recovering from the Covid-

<sup>1</sup> For example, in 2022/23 SANParks received R688m from the fiscus, of which only R247m was operational, while their budget was R3bn.

impact. In addition to its annual operational gap, it's expansion mandate is largely unfunded and it has a Capital Development Plan for maintenance of current infrastructure over 10 years of R10bn, which is unfunded.

Under GEF-8 funding (Reimagining National Parks, GEF ID 11347), detailed planning for MLLs in SA is taking place. However, the issue of durable financing of MLLs is not included in that GEF-8 project, due to the scope of that project being establishment and building of institutional capacity of 3 MLLs. As such, this GBFF project is proposed to help address that outstanding financing barrier within the 3 MLLs, and more effectively deliver Target 3 goals. Through the enabling level interventions, there will be opportunity of replication in the other 5 MLLs that SANParks has identified. These areas are shown in the Map below, noting that the focus of this project is on the Addo, Barberton and Grasslands MLLs.



The project will deliver results against Core Indicator 1.1: 50,000 ha of Terrestrial Protected Areas newly created; Core Indicator 1.2: 952,100 ha of Terrestrial Protected Areas under improved management effectiveness through direct management action to improve financial management systems within existing PAs (including sufficient budget, security of budget and management of budget); Core indicator 4.1 Area of landscapes under improved management to benefit biodiversity, with an estimated 40,000 ha of communal and private lands outside of the PAs, in connectivity areas, under improved management, through stewardship agreements that promote

conservation-compatible rangeland management practices; and Core Indicator 11, an estimated 1,200 (50% men, 50% women, approximately) people directly benefiting from GEF-financed investments. This is mainly IP&LC but also PAs and environment ministries personnel.

## 2) Project Description

### a. Project Theory of Change

The Theory of Change of this project is built upon the threats, barriers and baseline presented in the previous section. It is based on the logic that, IF

- Durable new financial mechanisms are identified and developed,
- SANParks is capacitated to be able to source and effectively use additional financial resources,
- The capabilities of SANParks and its partners to source and implement these mechanisms to declare new areas and improve effective management of existing PAs is increased,
- The capabilities of IP&LCs to lead stewardship and improved rangeland management in MLLs and to take up the socio-economic opportunities generated is increased,

THEN, the project will be able to generate new sources of finance and local socio-economic opportunities, and use them to establish and effectively manage MLLs,

thus, leveraging durable financing mechanisms for Mega Living Landscapes (MLL) to achieve Target 3 in South Africa.

This TOC is built on the assumption that there is sufficient consensus across SA society - government, NGOs, affected IP&LCs and the private sector – that the establishment and hence financing of Mega Living Landscapes (MLLs) is the core strategy to achieve Target 3.

### b. Project Description

The project is structured into four components as follows:

#### **Component 1: Enabling conditions for durable financial mechanisms to effectively establish & manage SA's MLLs.**

This component will include the identification and prioritization of financial mechanisms and identification of reforms needed to increase the ability of SANParks and partners to access and implement them. Activities will include:

- Developing a strategic investment strategy and prospectus that identifies & assesses a suite of durable financing mechanisms that build from existing experience and includes increased own revenue through, for example, strategic tourism investment, including biodiversity offsets, carbon credits, biodiversity credits, corporate social investment, biodiversity/wildlife bonds, landscape financing, and financing of EPWP. Conservation Trust Funds (CTFs) will also be considered. The project will also undertake a feasibility assessment for a potential Project Finance for Permanence (PFP) for MLLs.

- Developing the technical/legal plan for at least 2 of the above mechanisms, including explicitly showing how benefits will accrue to IPLCs, and in collaboration with partners – finance, government, private and NGO institutions.
- Identifying improvements needed to SANParks and partners so they are empowered to access and implement these mechanisms.
- Approving and implementing the above improvements including building SANParks capabilities.

**Component 2: Resources mobilised and activities on the ground.**

This component will mobilise new financial resources and will increase capabilities for implementation and deliver additional PAs & conservation areas, and improve protected area management. Activities include:

- Implementation of at least 2 durable financial mechanisms that deliver new financial resources for MLLs, as identified, and developed in Component 1.
- Developing and increasing capabilities of SANParks and partners to use a long term (20 years) forecast model & rolling three-year Financing Plan for MLL that includes:
  - Developing a long-term financing forecast model, which sets out the anticipated costs, inflows, & shortfalls.
  - Developing a funding strategy & plan to raise the required finance.
  - Rolling three-year Financial Plan, that aligns with the management team’s financial cycles.
- Providing technical assistance for consultations, assessments and preparation of legal & technical documentation required for the declaration of PAs and addition of conservation areas.
- Providing technical assistance for on the ground investments to improve effective management of MLLS PAs. Investments for improved effective management, including would be co-financed by SANParks’ new financial resources mobilized through this project.

**Component 3: Increased IP&LCs participation in MLLs.**

This component will empower the increased participation, leadership, and access to socio-economic benefits by IP&LCs in MLLs through:

- Increased awareness, capacity building and mentorship that empowers participation & leadership in negotiation and implementation of stewardship agreements.
- Implementation of sustainable rangeland management plans, i.e. rotational grazing, fire regimes, IAS clearing, rehabilitation etc., by IP&LC and that generate benefits for IP&LCs through improved health of and market access for stock (sheep, goats & cattle), and through technical assistance and operational support to ecorangers and IP&LCs for improved rangeland management in terms of stewardship agreements.
- IP&LCs will develop local enterprise & livelihood opportunities based on landscape-level pro-nature economic development initiatives identified within the GEF 8 MLLs project.



- Markets opportunities secured by IP&LCs through, for example, linkages created between the local enterprises & SANParks/ private sector preferential procurement process for small enterprises.

### **Project M&E**

Under this component the project will monitor and evaluate project data and information to ensure efficient decision making and promote adaptive project management.

#### **a. Project Stakeholders**

The main project stakeholders are the DFFE; SANParks; GEF 8 MLL NGO partners (Care for Wild, WWF-SA, The Nature Conservancy, Conservation SA, Wilderness Foundation Africa); IP&LCs in the landscapes including tribal authorities, local community organisations, local private landowners; organized private sector including corporates, agricultural associations and landowner conservancies; provincial conservation agencies and other government departments such as national Treasury and Agriculture.

#### **b. Specific Action Areas**

This project aligns to the following GBFF Action Areas:

1. Action Area 1: This project will support delivery of South Africa's Target 3 goals, through improved management within and near existing protected areas in MLLs.
2. Action Area 2: The project will provide (under component 3) direct support to IP&LC groups and provide support to IP&LC to ensure participation in decision-making and access to Justice and information related to biodiversity for all (Target 22).
3. Action Area 4: Resource mobilization (Targets 18 and 19). The project will develop and implement durable financial mechanisms for MLLs.

#### **A) Potential to generate global environmental benefits (GEBs)**

This project presents great potential to generate GEBs by increasing the establishment and effective management of MLLs where biodiversity will be protected, contributing to South Africa's Target 3 goals. The project will deliver results against Core Indicator 1.1: 50,000 ha of Terrestrial Protected Areas newly created; Core Indicator 1.2: 952,100 ha of Terrestrial Protected Areas under improved management effectiveness through direct management action to improve financial management systems within existing PAs (including sufficient budget, security of budget and management of budget); Core indicator 4.1 Area of landscapes under improved management to benefit biodiversity, with an estimated 40,000 ha of communal and private lands outside of the PAs, in connectivity areas, under improved management, through stewardship agreements that promote conservation-compatible rangeland management practices; and Core Indicator 11, an estimated 1,200 (50% men, 50% women, approximately) people directly benefiting from GEF-financed investments. This is mainly IP&LC but also PAs and environment ministries personnel.

B) Alignment with National Biodiversity Strategies and Action Plans

This proposal is fully aligned with SA's NBSAP which sets out the status of SA's biodiversity protection and its recommendations for what and when biodiversity should receive priority protection is taken up in SA's the National Protected Areas Expansion Strategy and SANParks level expansion plans contained in Vision 2024, Park Management Plans and Land Inclusion Plans. SANParks works hand-in-glove with the SA Institute for Biodiversity (SANBI) the responsible entity for the NBSAP.

C) Policy coherence and coordination

SA is characterized by world class environmental legislation, policies, and strategies, and is an active participant in all key global environmental/climate related agreements under the leadership of the Department of Forestry, Fisheries, and the Environment (DFFE). The Constitution of this young 30-year-old democracy provides that: "Everyone has the right to an environment that is not harmful to their health or wellbeing and to have that environment protected for the benefit of present and future generations through reasonable measures." This project will help advance the goal of policy coherence. The MLL approach will advance coordination between different policy making sectors, including production sectors and local economic development. The MLL approach itself represents policy coherence, by aligning local enterprise opportunities with conservation outcomes, at the landscape level, such that progress in the local economic sector does not necessarily lead to trade offs with poor outcomes for conservation, and vice versa.

D) Mobilization of resources from the private sector and philanthropies'

SA's private and philanthropic sectors engage on a regular basis with SANParks and are keen that it increases its capacity to translate engagements into concrete actions on the ground. Domestic and global philanthropic interest in SA is significant and already active through various NGOs, for example through piloting biodiversity offsets banking, making funds available through CTF mechanisms, rhino bond implementation in Addo National Park and engagement with SANParks about its carbon credit case. This project will make it possible to take these initiatives to scale.

E) Engagement and support to IP&LC groups

The project will take a socially inclusive and gender sensitive approach and will benefit IP&LCs living near or in MLLs. Component 3 of the project focuses on facilitating and supporting IP&LCs action, empowerment, and benefits. Biodiversity is central to South Africa's national objectives of addressing poverty, inequality, and unemployment, and supports increased economic growth and improved service delivery for all its citizens. Protected Areas offer a wide range of social and economic benefits and play an increasingly important part in providing solutions to our nation's multifaceted challenges. In 2018, South Africa had more than 418 000 biodiversity related jobs, an amount comparable to the mining industry. For each job protecting biodiversity there are five jobs that depend directly on sustainably using biodiversity.

## PROJECT FINANCING TABLES

### GEF Financing Table

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

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds			
					GEF Project Grant	Agency Fee	Total GEF Financing
WWF- US	GBFF		Biodiversity	GBFF Action Area 1	1,302,209	117,199	1,419,408
WWF- US	GBFF		Biodiversity	GBFF Action Area 2	1,446,898	130,221	1,577,119
WWF- US	GBFF		Biodiversity	GBFF Action Area 4	1,688,049	151,924	1,839,973
Total GEF Resources					4,437,156	399,344	4,836,500

### Project Preparation Grant (PPG)

Is Project Preparation Grant requested?  Yes  No

If yes<sup>2</sup>: fill in PPG table (incl. PPG fee)

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	(in \$)		
					PPG	Agency Fee	Total PPG Funding
WWF- US	GBFF		Biodiversity	GBFF Action Area 1	44,022	3,962	47,984
WWF- US	GBFF		Biodiversity	GBFF Action Area 2	48,913	4,402	53,315
WWF- US	GBFF		Biodiversity	GBFF Action Area 4	57,065	5,136	62,201
Total PPG Amount					150,000	13,500	163,500

**Sources of Funds for Country STAR Allocation (only for Multi-Trust Fund projects where GEF TF is included) N/A**

GFEE Agency	Trust Fund	Country/Regional/Global	Focal Area	Source of Funds	Total
(select)	(select)		(select)	(select)	
<b>Total GEF Resources</b>					

**Indicative Action Area Elements**

Programming Directions	Trust Fund	(in \$)	
		GEF Project Financing	Co-financing
GBFF Action Area 1	GBFF	1,302,209	
GBFF Action Area 2	GBFF	1,446,898	
GBFF Action Area 4	GBFF	1,688,049	
<b>Total Project Cost</b>		<b>4,437,156</b>	

**Amount of resource allocated to support actions by IPLCs for the conservation, restoration, sustainable use and management of biodiversity:**

Amount (\$)
1,331,146

**Indicative Co-financing**

N/A.

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount (\$)
(select)		(select)	(select)	
<b>Total Co-financing</b>				

## RESULTS INDICATOR TABLE

As per the [GBFF Programming Directions](#), the following subset of the current suite of the GEF TF Core Indicators is used to monitor implementation performance of the GBF Fund: 1,2,3,4,5,6, 11 and all their sub indicators; 8; 9 and its sub indicators 9.4 and 9.5 (see Annex 3 of the Programming directions). Projects are encouraged to capture any co-benefits from project interventions on other GEF core indicators.

Additional indicators will be introduced to monitor policy elements of projects supported by the GBF Fund. They may draw on the monitoring framework for the Kunming-Montreal Global Biodiversity Framework once it is agreed.

Project Core Indicators		Expected at CEO Endorsement
1	<b>Terrestrial protected areas</b> created or under improved management (hectare)	1,002,100
1.1	Terrestrial Protected Areas newly created	50,000
1.2	Terrestrial Protected Areas under improved management effectiveness	952,100
2	<b>Marine protected areas</b> created or under improved management (hectare)	
3	Area of <b>land and ecosystems under restoration</b> (hectare)	
4	Area of <b>landscapes under improved practices</b> (hectare)	40,000
5	Area of <b>marine habitat under improved practices</b> (hectare)	
6	<b>Greenhouse Gas Emissions Mitigated</b> (metric ton of CO <sub>2</sub> e)	TBD during PPG
7	<b>Shared water ecosystems</b> under new or improved cooperative management (count)	
8	Globally over-exploited <b>marine fisheries</b> moved to more sustainable levels (metric ton)	
9	Chemicals of global concern and their waste reduced (metric ton of toxic chemicals reduced)	
10	Persistent organic pollutants to air reduced (gram of toxic equivalent gTEQ)	

11	People benefiting from GEF-financed investments <b>disaggregated by sex</b> (count)	1,200
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For Core Indicator 1.1 an additional 50,000 ha of new PAs will be declared with MLLs.

For Core indicator 1.2, an estimated 952,100 hectares with improved management effectiveness in existing PAs through direct management action to improve financial management systems within existing PAs.

For Core Indicator 4.1 Area of landscapes under improved management to benefit biodiversity, an estimated 40,00 ha of communal and private lands outside of the PAs, in connectivity areas, will be under improved management, through stewardship agreements that promote conservation-compatible rangeland management practices.

The calculation of the number of project beneficiaries (Core Indicator 11) assumes that the project can reach 1,200 people on communal lands. 50-50 gender disaggregation is estimated.