

Restoring Landscapes in South-Africa (ReLISA) National Workshop

Monday 15th May 2023 Venue: CSIR International Convention Centre, Meiring Naudé Road, Brummeria, Pretoria



I: Overall rationale

Supported by:



IKI

based on a decision of the German Bundestag















ReLISA – the core value proposition: What are we trying to address?

- 1. There is a lack of awareness of commercial impacts and dependencies on ecosystems;
- 2. The opportunities for bankable restoration activities are 'off the radar' (such as value chain development for sustainably produced goat meat, NTFP and other commodities, and projects for voluntary carbon market projects, which could fund the upscaling of thicket, grassland or savanna restoration); and
- 3. There are coordination failures leading to 'locked-into' pathways as the main actors (government, civil society, communities, private sector) need to coordinate effectively towards large-scale restoration



ReLISA – How are we going to address these issues?

- 1. Develop and apply biophysical and economic valuation modelling ex ante to determine where there is the highest returns on investment (ROI) and opportunities to reduce income inequalities;
- Consult with stakeholders (including the business and finance community) on final site selection to gain buy-in and create 'readiness' for restoration interventions;
- 3. Develop bankable business opportunities for the private sector;
- 4. Implement on-the-ground restoration activities; and
- 5. Provide capacity building and knowledge products, so as to ensure project sustainability.



ReLISA - Consortium Structure



Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection



environment programme

C4 EcoSolutions









based on a decision of the German Bundestap II: Business models and investment opportunities

Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

IK

based on a decision of the German Bundestag















ReLISA – How are we going to address these issues?

- 1. Develop and apply biophysical and economic valuation modelling ex ante to determine where there is the highest returns on investment (ROI) and opportunities to reduce income inequalities;
- Consult with stakeholders (including the business and finance community) on final site selection to gain buy-in and create 'readiness' for restoration interventions;
- 3. Develop bankable business opportunities for the private sector;
- 4. Implement on-the-ground restoration activities; and
- 5. Provide capacity building and knowledge products, so as to ensure project sustainability.



Work Package 3 : Business models & investment incubation

Co-led by C4 EcoSolutions and UNIQUE



CARBON I CONSERVATION I CLIMATE I COMMUNITY



The Investment Landscape

Source: Löfqvist S. & Ghazoul J. 2019. Private funding is essential to leverage forest and landscape restoration at global scales. Nature ecology & evolution, 3(12):12-1615. Available at: https://www.nature.com/articles/s41559-019-1031-y

unesco

United Nations

Educational, Scientific and Cultural Ornanization



Risk appetite



Source: Walter S. 2015. Sustainable financing for forest and landscape restoration – key messages. Food and Agriculture Organization, Rome. Available at: <u>https://www.fao.org/3/i5031e/I5031E.pdf</u>



Private sector investment mechanisms

1. Voluntary Carbon Market (VCM)

Carbon credits are sold on the voluntary carbon market as tradable commodities that represent a reduction or removal of one metric ton of carbon dioxide equivalent (MtCO2e)

Over 30 carbon offset registries operate globally to verify carbon credits

2. Biodiversity credits

Biodiversity and Ecosystem Services Network (BES-Net)

Verified Conservation Areas (VCA) Standard

- 3. Payment for Ecosystem Services (PES) Schemes
- 4. Water Funds

Water Benefit Standard (WBS) Alliance for Water Stewardship (AWS) Standard



based on a decision of the German Bundestas

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection















III: Natural Capital Accounting: making the economic case

Supported by:



INTERNATIONAL CLIMATE INITIATIVE













based on a decision of the German Bundestag

ReLISA – How are we going to address these issues?

- Develop and apply biophysical and economic valuation modelling ex ante to determine where there is the highest returns on investment (ROI) and opportunities to reduce income inequalities;
- Consult with stakeholders (including the business and finance community) on final site selection to gain buy-in and create 'readiness' for restoration interventions;
- 3. Develop bankable business opportunities for the private sector;
- 4. Implement on-the-ground restoration activities; and
- 5. Provide capacity building and knowledge products, so as to ensure project sustainability.



South Africa and Natural Capital Accounts

- 10-year NCA Strategy
- Established Governance structure: Natural Capital Accounting Forum; Community of Practice; Strategic Advisory Group
- In recent years:
 - Land and Terrestrial Ecosystem Accounts
 - Protected Area Accounts
 - Strategic Water Source Areas,
 - River Terrestrial Ecosystem Accounts
 - Metropolitan Area Accounts
 - Species Accounts for Rhinos and cycads
 - Ecosystem service accounts for KwaZulu-Natal



Federal Ministry for the Environment, Nature Conservation Nuclear Safety and Consumer Protection

















Ecosystem services accounts (biophysical) – KwaZulu Natal

Spatially-explicit data on provision of ecosystem services – water retention, crop provisioning, and sediment retention shown here, but results for a suite of eleven ecosystem services



Ecosystem services accounts (monetary) – KwaZulu Natal South Africa

Spatially-explicit data on value of ecosystem services, and trends over time



the German Bundestag

Policy application: Ecosystem restoration in South Africa

Cost-benefit analysis of ecosystem restoration programmes in Thukela river basin, KwaZulu Natal



the German Rundestac



Policies:

Extension services Betterment schemes Natural Resource Management Programmes e.g. 'Working for Water' 2030 Land Degradation Neutrality target, UNCCD and SDGs











Policy application: Ecosystem restoration in South Africa

Cost-benefit analysis of ecosystem restoration programmes in Thukela river basin, KwaZulu Natal

	Present value (R millions)		
	LDN Scenario		Full Postoration
Costs relative to BAU	Upper bound costs	Lower bound costs	Scenario
Clearing IAPs	514.4	514.4	2 355.2
Addressing Bush Encroachment	507.2	237.6	691.1
Active restoration of grasslands, erosion	2 623.6	-	-
Sustainable land management	-	1 981.02	6 093.62
Total present value of costs	3 645.18	2 733.09	9 139.98
Benefits relative to BAU			
Water supply	2 591.4	2 591.4	10 757.2
Sediment retention	38.9	38.9	63.1
Tourism	121.8	121.8	243.6
Carbon storage (avoided national cost)	-274.91	-274.91	597.5
Harvested resources	70.6	70.6	2 391.3
Livestock production	620.7	620.7	1 476.9
Total present value of benefits	3 168.6	3 168.6	15 529.6
Net Present Value	-476.6	435.5	6 389.6
BCR	0.9	1.2	1.7

Likely a vast underestimate because many intangible benefits cannot be valued. Other studies estimate a ROI of 9 – 30 for restoration projects.

Supported by:

for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection















based on a decision of the German Bundestag

IV: MRV & Impact Monitoring

Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

based on a decision of the German Bundestag

















1. Quantification of the impact of the project

Carbon stocks; GHG emissions; Adaptation (climate resilience); SDGs

2. Supporting national reporting to the United Nations

UNFCCC; GHG inventory (land use and land use change); BTR; CBD; UNCCD; SDG

3. Development and piloting of an impact monitoring tool

To provide an integrated approach that is easy to adopt for various reporting purposes and enables continuous learning and improvement over time.



Implementation and Documentation





V: Component 3: Direct Landscape level intervention and implementation

Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

based on a decision of the German Bundestag















ReLISA – How are we going to address these issues?

- 1. Develop and apply biophysical and economic valuation modelling ex ante to determine where there is the highest returns on investment (ROI) and opportunities to reduce income inequalities;
- 2. Consult with stakeholders (including the business and finance community) on final site selection to gain buy-in and create 'readiness' for restoration interventions;
- 3. Develop bankable business opportunities for the private sector;
- 4. Implement on-the-ground restoration activities; and
- 5. Provide capacity building and knowledge products, so as to ensure project sustainability.



Protected Areas expansion initiatives



Map of the EWTs protected area expansion initiatives

Through the biodiversity stewardship programme we are assisting to conserve more than 185 properties (over 139,000ha) in the last 10 years

We are actively working on a further >85,000ha

In all instances we are promoting improved management of sites using a multi-pronged approach.



the German Bundestag





RELIS INTERNATIONAL CLIMATE NITIATIVE





EcoSolutions









Grassland Biosphere reserve



unesco

United Nations

Educational, Scientific

and Cultural Organization



Federal Ministry

Supported by:

Restoration in Strategic Water Source areas

Strategic Water Source Areas-Bankable links to large corporate Supports at least 60% of the population ٠ downstream water users-Soutpansberg . All major cities in SA rely on these SWSAs: Wolkberg Polokwane Gauteng gets about 65% of its water from these areas; Waterberg Bloemfontein 70%: Mpumalanga - Cape Town and eThekwini about 98% Drakensberg Mbombela Pretoria 67% of the economy relies on these areas: ٠ Johannesburg Lipper Usutu Mbabane Hills 70% of irrigated agriculture rely on SWSAs Upper Ekangal 2076-2095 (+80 yrs) 2046-2065 (+50 yrs) 2076-2095 (+80 yrs) 2046-2065 (=50 yrs) Miolo Grassland Headwaters Northern Hotter and drier Drakensberg ontein Maseru Maloti Pietermaritzburg -----Drakensberg Figure 37 Annual temperature change (°C) and annual rainfall change (mm/month) relative to 1985-2005 Southern Drakensberg Eastern Cape Drakensberg Amatole Swartberg ast London Kouga Langeberg **ENDANGERED** George WILDLIFE TRUST and Boland SWSAs Tsitsikamma Outeniqua www.ewt.org.za peLIS/ INTERNATIONAL UN 🏵 for the Environment, Nature Conservation, CLIMATE 🗼 CSIR Nuclear Safety and Consumer Protection INITIATIVE EcoSolutions environment

programme

Statistics by place | Statistics South Africa (statssa.gov.za) 2011

Makhadu LM: 516,000 (0.43%) people 15.7% access to piped water 89.4% access to electricity 36.7% unemployed

Free State LMs: 48K-335K people 30.6-31.9% access to piped water 74.9-89% access to electricity 25.3-41.8% unemployed

KZN LMs: 132K-363K people 45.4-68% access to piped water 75.4-87.2% access to electricity 37.4-43% unemployed

KwaSani LM: 13,000 (0.85%) people 42.9% access to piped water 75.4% access to electricity 16% unemployed

Strategic Water Source Areas

EWT focal SWSAs: Northern, Southern & Enkangala Drakensberg, Waterberg, Amathole, Soutpansberg

DFFE priority SWSAs: Northern, Southern, EC, Mpumalanga, Waterberg, Wolkberg, Maloti, Amathole, Tsitsikamma, Enkangala









based on a decision of the German Bundestag

Supported by:

Clearing Invasive Alien Plants (IAP) and Habitat Rehabilitation



followed by chemical application shoulder sprays/knapsacks) on the McDonald property



Invasive alien plants (Pine, eucalypt & black wattle)



Mm³/year Greater than EThekwini's annual water



- Boland Mountains
- Eastern Cape, Enkangala, Mpumalanga Drakensberg
- Important to engage with the water • reconciliation data on towns in water deficit



ENDANGERED WILDLIFE TRUST



for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection











>48









Strategic partnerships



unesco

Educational, Scientifi and Cultural Omanizat

based on a decision of the German Bundestag

Federal Ministry

Supported by:

Small Grants for Restoration

MAIN FOCUS AREAS FOR IMPLEMENTING SMALL GRANTS FOR RESTORATION

- 1. Strategic Water Source Areas within the three focus biomes for the ReLISA Project
- 2. Post declaration support to land users part of the Biodiversity Stewardship Programme's already demonstrated their commitment towards conservation and SLM
- 3. Local communities and private land owners within existing and potential new Biosphere Reserves within project focus biomes
- 4. Communities and land users within buffer zones of National and Provincial National Parks or areas planned for the expansion of these conservation areas.

Please note that these focus areas will be refined after an assessment and analysis of their ecological importance and impact towards providing ecosystem services within and downstream of the project intervention area.























based on a decision of the German Bundesta

Unesco How Water Funds Work



Supported by:

















U N D P

based on a decision of the German Bundestag

Magaliesberg Biosphere

Threatened Ecos 2011 NAME, STATUS

Eastern Temperate Freshwater Wetlands, VU

Egoli Granite Grassland, EN

Magaliesberg Hekpoort Mountain Bushveld, VU

Magaliesberg Pretoria Mountain Bushveld, CR

Marikana Thornveld, VU Rand Highveld Grassland, VU

Roodepoort Reef Mountain Bushveld, CR

Soweto Highveld Grassland, VU

Witwatersberg Pretoria Mountain Bushveld, CR

Witwatersberg Skeerpoort Mountain Bushveld, EN

Vegetation Types & Remaining Extent of Threatened Ecosystems

Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

















based on a decision of the German Bundestag



Waterberg





Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

IKI

 \mathbf{O}

based on a decision of the German Bundestag

VI: ReLISA proposed long list of sites

Supported by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

based on a decision of the German Bundestag

















UN

DP





ReLISA potential focal regions (with thicket, grassland & savannah biome extent) Essential Life Support Action Areas (ELSAAs), 2021



BIOFIN

The Biodiversity Finance Initiative

Areas for protection Areas for restoration Areas to reduce pressures Areas for urban adaptation Areas to avoid loss Existing protected areas



Essential Life Support Action Areas (ELSAAs), 2021

The 10 prioritized commitments for ELSA South Africa





Ecosystem-based Adaptation (EbA) Priority Areas, 2019



Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH



forestry, fisheries & the environment

Department: Forestry, Fisheries and the Environment REPUBLIC OF SOUTH AFRICA



South African National Biodiversity Institute

Scenario 6

Baseline plus high environmental risk, biodiversity importance and climate change vulnerability

Scenario 5

Baseline plus high environmental risk and climate change vulnerability

Scenario 4

Baseline plus high biodiversity importance and climate change vulnerability of ecosystems

Scenario 3

Baseline plus high environmental risk and biodiversity importance

Scenario 2

Baseline plus high biodiversity importance

Scenario 1

Baseline plus high environmental risk of EI being lost to human development



High EbA potential (baseline)



National Strategic Water Source Areas (SWSAs)



forestry, fisheries & the environment Department: Forestry, Fisheries and the Environment REPUBLIC OF SOUTH AFRICA



South African National Biodiversity Institute







Spatial Planning for Area Conservation in Response to Climate Change (SPARC) Project (Hannah et al., 2020)

Protected area expansion priorities for species under future climate scenarios (rcp 2.6)

Current Protected Areas
LC20L4_HM70ScNat.tif
National Landcover 2020
Developed





ReLISA – the core value proposition: Are our approaches and choices sensible?

- 1. There is a lack of awareness of commercial impacts and dependencies on ecosystems;
- 2. The opportunities for bankable restoration activities are 'off the radar' (such as value chain development for sustainably produced goat meat, NTFP and other commodities, and projects for voluntary carbon market projects, which could fund the upscaling of thicket, grassland or savanna restoration); and
- 3. There are coordination failures leading to 'locked-into' pathways as the main actors (government, civil society, communities, private sector) need to coordinate effectively towards large-scale restoration



Dr. Salman Hussain Head a.i. Economics of Nature Unit **Ecosystems** Division

Salman.Hussain@un.org

UN environment programme



www.unep.org





Supported by: Federal Ministry INTERNATIONAL for the Environment, Nature Conservation, CLIMATE Nuclear Safety and Consumer Protection INITIATIVE

based on a decision of the German Bundestag





















ted by:

Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection

m a decision of man Bundestag















٢

U N D P