

Business case: Funding the KAZA Secretariat to Implement Conservation Projects in KAZA TFCA

1. Purpose
2. Strategic context
3. Business Case
4. Available options
5. Announcement
6. Risks
7. Procurement route
8. Funding and affordability
9. Management

1. Purpose

To seek approval for up to £347,924 to fund the UK's support for conservation activities in the Kavango-Zambezi Trans-frontier Conservation Area (KAZA TFCA), implemented by the KAZA Secretariat.

2. Strategic Context

The world's animal populations have declined by almost two thirds in the last 50 years¹. For example, between 2007 and 2014 alone, African savannah elephants declined by a third. This decline can be attributed to a combination of wildlife crime, human wildlife conflict, land use change, habitat loss, pressures from population growth, and economic development. Between 1997 and 2011, the world lost an estimated \$4-20 trillion per year in ecosystem services owing to land-cover change and \$6-11 trillion per year from land degradation². Further, it is estimated that in 2014 around 15% of the world's population depended on wildlife for survival, either as a source of food or income³. Conservation work is therefore vital to simultaneously address biodiversity loss and support the communities that rely on that biodiversity.

The Prime Minister announced ahead of UNGA 2019 climate and biodiversity events that we are 'ramping up UK efforts with a new action plan to save the natural world', including plans to create 'pioneering green corridors in global biodiversity hotspots', which could, for example, 'help 250,000 elephants in the KAZA region migrate safely from one reserve to another'⁴. Wildlife (particularly 'ranging' megafauna such as elephants) and people share space; pressures are increasing as populations grow and traditional migratory routes used by wildlife are cut off. This can lead to human wildlife conflict and a reduction of connectivity between habitats (particularly protected areas). The UK supports a 'green corridor' approach, which facilitates conservation work at scale and across boundaries; acknowledging that wildlife and ecosystems do not recognise borders. A green corridor creates or enhances wildlife routes, and, as articulated at the 2018 IWT Conference in London, such corridors can 'benefit security, wildlife, people and the economy'.

The KAZA TFCA vision, as agreed by KAZA states, includes critical aims to use conservation and sustainable livelihood models to improve socio-economic wellbeing of communities. Rural communities within the TFCA face a range of socio-economic issues in the context of economic downturns in a number KAZA States and enhanced climate change vulnerability. Communities, for example face issues of human wildlife conflict, which includes conflict over access to natural resources such

¹ Since 1970 to 2019, the world has lost 60% of its global vertebrate population, and more than 40% of insect species are declining rapidly. (OECD (2019), Biodiversity: Finance and the Economic and Business Case for Action, report prepared for the G7 Environment Ministers' Meeting, 5-6 May 2019.)

² <http://www.oecd.org/env/resources/biodiversity/biodiversity-finance-and-the-economic-and-business-case-for-action.html>

³ <https://science.sciencemag.org/content/345/6195/376>

⁴ <https://www.gov.uk/government/news/pm-launches-new-action-plan-to-save-the-natural-world>

as productive agricultural land and water. These issues have been enhanced as a result of climate change impacts which are increasing resource vulnerability. Funding activities in the TFCA will therefore support objectives to actively engage communities into sustainable resource management and conservation within the TFCA, to reduce human wildlife conflict, address human and livestock health risks associated with living alongside wildlife and create and enhance sustainable livelihood opportunities. This funding will therefore support longer term goals to improve community wellbeing and development and build socio-economic resilience, for example to climate change.

The green corridor approach fits well with HMG's prosperity and security objectives in Africa. It also supports Defra's 25 Year Environment Plan, which sets out that we will be the first generation to leave the environment in a better state than we found it. By taking a leadership role in international conservation, HMG's work also aligns with SDG 15: protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

The KAZA TFCA has been identified through Ministerial engagement, by a range of stakeholders and an internal evidence-based analysis as a priority green corridor area for UK engagement. The KAZA TFCA contains regions in Angola, Botswana, Namibia, Zambia, and Zimbabwe. The five partner countries formally signed the KAZA TFCA Treaty at the Southern African Development Community (SADC) Summit in 2011. The TFCA has a very high conservation value; for example, it has the largest contiguous elephant population in Africa⁵. Botswana hosts approximately 130,000 of these elephants, and Zimbabwe hosts approximately 50,000. The KAZA TFCA, the largest trans-frontier conservation area in the world, also boasts over 3000 species of plants; 100 of which are endemic to the sub-region.⁶

The KAZA TFCA is approximately 520,000 sq km⁷. The scale and potential for unlocking existing corridors in the TFCA means that the area offers a significant opportunity for UK to apply technical expertise and funding interventions. During a meeting on green corridors at the 2018 IWT Conference with ministers from Angola, Zimbabwe, Namibia and Botswana, the then Environment Secretary, Michael Gove signalled his intention for the UK to support national efforts of the KAZA countries and asked them for ways in which the UK could best provide support. At the African Wildlife Economy Summit held in Zimbabwe in June 2019, former Environment Minister Coffey met with KAZA ministers where it was agreed that the UK's engagement in KAZA would be undertaken through the KAZA Secretariat. The Secretariat has been mandated by the KAZA countries to oversee work in the TFCA

⁵ <http://www.met.gov.na/national-parks/kavango-zambezi-transfrontier-conservation-area-kaza-tfca/297/>

⁶ <https://www.kavangozambezi.org/index.php/en/information/kaza-conservation-area>

⁷ http://wcs-ahead.org/kaza/kaza_tfca_large_scale_planning_final_7nov08_logo.pdf

and has a supporting role in holding individual countries to account to ensure that the programmes are delivered to time and on budget.

During the African Wildlife Economy Summit in June 2019, engagement with the KAZA States and Secretariat led to the identification of the following strategic pillars where the UK can add value:

- a. Land-use planning
- b. Human wildlife conflict
- c. Community livelihoods
- d. Combating wildlife crime.

Working with the KAZA Secretariat, Defra has identified projects worth up to £347,924 this financial year (2020/21) which will build on initial activities that were funded by Defra in 2019/20 to achieve the following aims:

1. Improve data on land use, wildlife numbers, and migration patterns to support longer term wildlife conservation and community benefits.
2. Support the KAZA Secretariat to carry out trans-frontier conservation projects including unlocking green corridors, which will in turn benefit wildlife and communities within the TFCA.

These projects will allow the UK to make a substantial impact by supporting the Secretariat to address issues requiring action on the ground. The projects will also deliver against our longer-term outcomes by linking conservation and human development issues and setting the groundwork for future Biodiverse Landscapes Fund programming in the region. Finally, these projects will contribute to a green recovery to COVID-19 within the region. This will be primarily through identifying sustainable livelihood opportunities, responding to the increased spotlight on management of animal disease transmission and gathering data to allow the region to respond to increased threats on wildlife as a result of secondary economic and social impacts of COVID-19.

3. Business case

Rationale for Intervention

Currently, data for the KAZA TFCA is not sufficiently joined up or comprehensive to effectively inform landscape scale conservation interventions, which also benefit communities. If this issue is not addressed there is a risk that opportunities to take evidence-based actions within the landscape could be missed. In order to support conservation efforts that are successful in the long term, data collection is required to fill knowledge gaps and lay a foundation for evidence-based policy to be applied. This intervention will therefore improve this evidence base and allow future interventions to be unlocked, including benefits for communities.

The interventions will also offer an opportunity for HMG to fund well designed projects that facilitate the unlocking of green corridors and the realisation of KAZA's full conservation potential over the longer term. The projects will respond to the

immediate needs of the Secretariat, including in light of COVID-19, and build a strong relationship which can be used as a platform on which to engage in KAZA in the future, without committing the UK to indefinite financial aid. Through these projects and by working closely with the KAZA Secretariat, we intend to support them in building their capacity, for example building their experience of working with large donors and their ability to gain access to bigger funding sources, such as the Global Environment Facility funding, in the future.

Timing

The UK is leading calls to halt biodiversity loss, prevent the Illegal Wildlife Trade and protect and restore key landscapes. Also, as a co-host for the UNFCCC 26th Conference of the Parties, the UK is also looking to place itself in a leadership role on the Green Recovery to COVID-19.

The timing of the KAZA work provides an opportunity to highlight the UK's commitments to biodiversity alongside supporting sustainable community recovery. Firstly, the KAZA projects, which deliver international biodiversity conservation outcomes, enable the UK to show leadership in the run up to the UNFCCC COP26 and the 15th Convention of the Parties for Convention of Biological Diversity, and the adoption of the Post-2020 Biodiversity Framework. The UK's leadership role is particularly focused on joining up conservation, people and climate change to support increased ambition on the environment and sustainable development. Secondly, this new stream of work builds on the success of Darwin Initiative and IWT Challenge Fund projects in the KAZA states. In addition, these projects, which intervene at a landscape scale, have the potential to inform similar scale interventions through the Biodiverse Landscapes Fund. KAZA has been identified as a preferred landscape for intervention through the Fund and the projects identified within this business case will support us in developing this larger scale intervention, through improving the quality of data collection in the TFCA, and through a series of reports and specific needs assessments of Wildlife Dispersal Areas. Finally, these projects remain priorities for the KAZA Secretariat in the context of COVID-19 and will lay important groundwork for a sustainable recovery.

Proposed Projects

Using the four strategic pillars identified with the KAZA Secretariat, we initially identified projects suitable for funding. We gained business case approval to deliver projects in 2019/20 and this approval remains relevant to all the projects included in this business case.

In 2019/20 delays in when funding became available led to significant challenges for delivery of those projects within the agreed timelines. It became clear that some projects no longer had sufficient time to complete all the proposed activities and this was further complicated by the arrival of the wet season in KAZA which meant that

the delivery of some projects (such as fitting the elephant collars) became impossible, as the elephants disperse during this time.

As a result, the package of projects and activities to be delivered in 2019/20 was revised. This resulted in two further projects, the Wildlife Dispersal Area Assessment and the elephant collaring and monitoring project, being amended to carry out some activities in 2019/20. One project, the veterinary fence assessment, was not taken forward in 2019/20. Funding for the aspects of the initial business case that were not completed was therefore not spent on these projects. One project was completed in 2019/20 on time. A breakdown of what was spent in 2019/2020 and what the outstanding total projects costs is outlined in Annex A.

As a result, three projects will be funded in 2020/21 all of which have already received previous clearances to proceed. These projects include the two projects initiated in 2019/20 and the remaining project, which will begin in 2020/21. COVID-19 has had subsequent impacts on the delivery timelines for these projects, as outlined below.

The three projects allow HMG to add immediate value to conservation and community efforts in the KAZA TFCA. Together, elephant monitoring and veterinary fence assessments will provide improved data and understanding of elephant movements and how corridors could be used and created, for example through the removal of fences, for improved conservation while safeguarding the needs of communities. In addition, WDA assessments carried out in critical corridor areas, will allow for opportunities for both wildlife conservation and community livelihood and development opportunities to be identified. Therefore, together the package of projects will help to progress the overall KAZA strategy of creating wildlife corridors and identifying opportunities from wildlife conservation that will improve outcomes for elephants, wildlife and the communities in these areas.

In light of COVID-19, these projects deliver against current needs on the ground and facilitate a green recover by:

- Engaging communities in Wildlife Dispersal Area planning and identification of future investment opportunities will ensure communities have the opportunity to reflect impacts of COVID-19 and shape longer term planning, including accessing benefits from these areas that will improve their livelihood resilience.
- Assessing the role of veterinary fences and the natural movements of wildlife in managing the spread of diseases, such as foot and mouth, is considered even more important in light of COVID-19.
- Gathering data on wildlife numbers and movements will be critical to addressing existing issues of human-wildlife conflict which are likely to be exacerbated as a result of COVID-19 indirect impacts on incomes, food security and livelihoods within communities.

Revised approach due to COVID-19

COVID-19 has impacted the 2020/21 start date of these projects. Initial input was gathered from implementers and the KAZA Secretariat on the implications of COVID-19 on the deliverability of these projects. It was originally indicated that work would be delayed by up to 4 months (with work only commencing in Q2 (from July) 2020. However, further delays remain dependent on changes to COVID lockdown policies in place within KAZA States and the availability of government officials, who have been drawn into responding to the COVID-19 crisis, as key stakeholders within the projects. We have therefore developed the following model with support from the KAZA Secretariat.

We therefore propose that, subject to this Business Case, we gain approval to fund these projects this year but activities will only begin once Defra and the KAZA Secretariat agree it is feasible for activities to begin. We are therefore requesting approval for 'up to' £347,924 as it is yet unclear the total activities and spend which will be delivered this financial year. There may also be cost savings due to reduced travel and venue costs as a result of COVID-19 restrictions and alternative approaches being taken.

We propose a review meeting is held with the KAZA Secretariat, Defra and FCO Posts at the end of May/early June to assess if the projects can commence from July 2020 (a 4-month delay) and how activities and spend will be impacted. This timing is based on lockdown reviews taking place in May in key KAZA States. This timing also allows for an assessment of host government capacity to be made.

If required, a subsequent review meeting can take place at the end of July, for activities to start in Sept (a 6 month delay). However, this will mark a cut-off point after which some of the projects will no longer be able to be funded this year, for example elephant collaring will no longer be able to take place due to the rainy season. We will however, endeavour to complete as many activities across these projects as possible this year given previous commitments and their importance to the KAZA TFCA. Completion of these projects would then be subject to us securing suitable funding in 2021/22.

The KAZA Secretariat and Defra will only agree activities can proceed this financial year if those activities align with national policies and advice on COVID-19, KAZA States are supportive of ongoing activities and HMG risks have been considered. If it is agreed at the review meeting that some or all projects can commence, Defra and the KAZA Secretariat will agree a Grant Agreement for these activities and a payment will be arranged.

The programme for 2020 currently consists of the following three projects:

- Monitoring of elephant movements and connectivity
 - 1) Elephant collaring
 - 2) Veterinary fence assessments
- Wildlife dispersal area assessments
 - 3) Detailed planning for the three remaining wildlife dispersal areas (WDAs)

This business case is seeking up to the total remaining funding required to deliver these projects, as outlined above. This is because it may be possible for implementers to revise their plans and deliver projects in full this year. However, the actual level of spend will be dependent on what activities can proceed following the review meeting(s) and a four-month delay is likely to mean a reduced level of spend.

Remaining funding for 2020/21

These projects do not fulfil the overall £500k ODA funding allocated to KAZA for the 2020/2021 FY. It is important to proceed with the projects within this Business Case as soon as possible given previous commitments, previous ODA spend on two of these projects and the importance of these projects to the KAZA TFCA. A subsequent business case will be developed for the remaining funding, based on proposals being jointly developed by the KAZA Secretariat and FCO Post. These proposals will respond to needs on the ground as a result of COVID-19 impacts in KAZA, ensuring HMG is supporting a Green Recovery and setting the groundwork for future funding. It will therefore only be possible to propose these projects once the needs on the ground have been assessed and appropriate proposals have been identified.

This business case is being submitted for clearance now to ensure that these three projects can be started as early as possible in the 2020/21 financial year and therefore prevent any further delays to project delivery and spend.

4. Projects subject to this Business Case

Monitoring of elephant movement and connectivity

There is a need for more and better data on the movement of elephants, as current data is not coordinated temporally or spatially, resulting in a lack of aggregated data for the entire KAZA TFCA. The UK will continue to work with the Secretariat to build capacity, to ensure the data is collected in a way that would support any future policy interventions. KAZA States affirmed, at the Kasane Elephant Summit in May 2019, that they consider elephants to be a key asset to unlocking the potential of the region. However, the majority of elephants in KAZA are concentrated in northern Botswana and Zimbabwe. In these areas, the numbers, migration patterns, and distribution of KAZA elephants can therefore be a source of human wildlife conflict, which can pose a barrier to unlocking wider community stewardship outcomes in the region. The information gathered from these two projects, outlined below, will inform future evidence-based decision making on elephant populations and human wildlife conflict mitigation measures.

Charismatic megafauna has also been flagged as a UK Ministerial and Prime Minister priority. Elephants are a keystone species, playing an integral role in maintaining ecosystem biodiversity, as feeding on tree sprouts and shrubs help to keep the plains open and able to support the game that inhabit them⁸. Elephants also attract tourism income that has the potential to increase the standard of living for local communities through increased jobs and facilities and be leveraged for further conservation work⁹.

a) Elephant collaring

is required to deploy 40 elephant collars and carry out monitoring of elephant populations. The collars will be dispersed across the KAZA states. The collars were previously procured using £82,423 of Defra ODA funding in 2019/20 to ensure they are available for fitment as soon as elephant collaring work is practical after the rainy season.

The project will be overseen by the KAZA Secretariat and coordinated by WWF Namibia who will bring technical expertise to the project, with input from local NGOs in the KAZA states who will carry out placement and monitoring of the collars in each state. Data will be monitored and analysed and will contribute to longer term studies assessing movement of elephants across partner states. Together these will be used to identify priority management actions in order to develop green corridors for wildlife and community benefits.

b) Veterinary fence assessment

The second project will conduct an assessment of the impact of veterinary fences on wildlife movements and produce a report. The assessment will focus on what decommissioning or realignment of veterinary fences would mean for the coexistence of wildlife and livestock, whether the fences promote safe connectivity pathways between areas, and will consequentially inform policy briefs on how partner states can work cooperatively on the matter, emphasising shared actions and priorities. As veterinary fences were originally put in place to manage disease transmission between animals, this project has been reviewed in light of COVID-19 and remains of high importance to the KAZA Secretariat who consider understanding of this issue is now of increased importance. The project will take place primarily in Botswana, with assessments of fences of importance to key Wildlife Dispersal Areas extending into neighbouring KAZA states. The project will be overseen by the AHEAD Programme of Cornell University with WWF providing technical assistance.

This project was originally part of the business case for 2019/20 but its inception was delayed to 2020/21 as funding became available later than expected, meaning no single activity could be delivered in its entirety

⁸ <https://www.savetheelephants.org/about-elephants-2-3-2/importance-of-elephants/>

⁹ It is estimated that the annual direct economic loss from reduced tourism due to elephant poaching in Southern Africa is \$4.64 million; across Africa, this was \$9.1 million annually. (Naidoo, Fisher, Manica, and Balmford (2016), 'Estimating economic losses to tourism in Africa from the illegal killing of elephants'.)

before the end of the financial year, because agreements between implementers could not be finalised in time. We had secured a revised timeline for activities and spend to take place in 2020/21 and further revisions, due to COVID-19, will be made so that Defra can work with the KAZA Secretariat monitor and mitigate against risks of underspend or delays in delivery.

Wildlife Dispersal Areas

Another fundamental aspect of our conservation work will be to strengthen Wildlife Dispersal Areas (WDAs). These areas have been identified for current action within the KAZA TFCA, covering natural migration pathways for fauna which are critical for gene flow, population dynamics and species distribution. WDAs also represent inter-connected protected areas and provide a practical scale for tailored community and land use interventions and are microcosms for the KAZA TFCA at large. They have been widely hailed a success, as WDAs provide ground for a smaller, geographically targeted intervention that is sensitive to the fact that KAZA is not one homogenous entity but requires bespoke action that contributes and solidifies the larger KAZA strategy. They are therefore able to provide meaningful community and wildlife benefits that contribute to a larger landscape scale conservation programme.

KAZA has established six WDAs across the TFCA. Mapping and assessment of three WDAs has been completed. Building on this experience, this project will assess the remaining three and will be directed towards operational and technical assistance to carry out the assessment.

The assessment and resulting report will build on previous experience and models of WDA mapping. The project will assess ecological priorities and engage with stakeholders and the community to carry out a needs assessment within each WDA. This will allow the identification and prioritization of future actions within each WDA and set a framework to develop an investment proposition in the WDAs that pertains to strategic transboundary initiatives including tourism development, community development and natural resource management, and human wildlife conflict mitigation. Previous WDA assessments have led to a range of actions being taken, including the realignment of some veterinary fences in the Chobe-Zambezi Floodplain WDA in order to reconfigure elephant movement pathways and reduce human wildlife conflict.

In 2019/20 £20,150 of Defra ODA funding was used to deliver the first two outputs of the project. A final revised delivery and spend forecast will be developed following as part of the review meeting. These forecasts be used to monitor and mitigate against risks of underspend or delays in delivery.

5. Available options

Option 1: **Do not implement the conservation projects in the KAZA TFCA** (status quo). This would have a number of consequences. Firstly, it would mean we are not responding to the conservation and community needs on the ground, particularly at a time when communities are facing an increased need and wildlife conservation may

face setbacks, due to reduced funding and increased pressures, as a result of COVID-19. If we do not act now, we will miss a window to contribute towards community needs and to lay the ground work for creating sustainable development opportunities and support longer term recover. It would also mean that the KAZA Secretariat would not be able to improve their data on wildlife and land use in the region, meaning that an opportunity would be missed for KAZA to make meaningful interventions on human wildlife conflict, community livelihood and land use issues. A lack of data would also make tackling illegal wildlife trade more difficult, as cross-border law enforcement may be difficult. Secondly, international conservation, particularly of megafauna such as elephants is of significant interest to HMG and is a priority for Defra Ministers. Finally, if no action was taken, there would be reputational risks for the UK. For example, projects, for which initial activities took place in 2019/20 using Defra ODA funding, will be left incomplete. As the prospect of supporting the KAZA Secretariat has been discussed publicly, there is an expectation that the UK delivers. Further, the UK seeks to be a global leader in international conservation; if no action was taken, our image as a strong global leader in an area where we have been publicly engaging may be questioned.

Option 2: Delay KAZA TFCA projects until next financial year. This option would have the same impacts as option 1 outlined above as we do not currently have any ODA funding secured for KAZA projects for 2021/22 and therefore may not be able to proceed. Again, this option would threaten responding to the immediate needs of communities within KAZA as a result of COVID-19 and delay the support we can give to longer term recovery and thus delaying the benefits for communities. If we were able to secure funding, we would have not followed advice received from the KAZA Secretariat on the ability of these projects to proceed and would face reputational risks with this key partner. We would subsequently risk ongoing relationships with the KAZA States given previous HMG commitments to fund projects with KAZA and through the KAZA Secretariat, which could impact future intentions to deliver the Biodiverse Landscapes Fund in KAZA.

Option 3: Fund the projects in the KAZA TFCA through the KAZA Secretariat. The projects outlined in this Business Case remain key priorities for the KAZA Secretariat and will delivery against community and conservation needs on the ground in light of COVID-19.

KAZA Ministers gave a strong steer at the Wildlife Economy Summit in June 2019 that UK engagement in KAZA should be directed through the Secretariat. They are in a unique position to deliver our priorities and have specifically identified the proposed projects as priorities for the region, and they have political support across the KAZA states. Furthermore, the Secretariat has broader oversight or work taking place in the region, meaning work is linked closely into KAZA's overall strategic portfolio.

The funding of the projects will address the lack of data in the region, which currently prevents the Secretariat and member countries from making evidence-based policy decisions at a landscape scale. By funding the projects, we will address the four strategic pillars through laying the groundwork for evidence-based policy intervention and show that HMG takes international conservation and joining up biodiversity and livelihoods seriously.

The funding is the second part of a two-year programme (with ~£150k spent in 2019/20). This year's funding will be used to improve and standardise data and assess areas of the TFCA that have not yet been assessed. This will also help to lay groundwork for the Biodiverse Landscapes Fund.

Building on last year's funding, lessons have been learnt to work effectively with the KAZA Secretariat. Issues out of the control of the KAZA Secretariat, including the wet season and timing of the funding becoming available, were raised by the Secretariat in sufficient time to reassess those activities which could be delivered in 2019/20. This has led to a revised package of activities for 2020/21 and actions have been taken to ensure risks of delayed activities and underspend are avoided in 2020/21. The joint working between Defra and the KAZA Secretariat is also improving the capacity of the KAZA Secretariat.

Option 4: Provide the grant to implementing partners in KAZA directly. If funding was to be granted to individual implementing partners, it may not satisfy our strategic interest in a 'landscape approach', as projects would not necessarily be joined up under one strategic framework or overseeing body. This is a risk, as the KAZA states and stakeholders more broadly have criticised the piecemeal approach that conservation in KAZA has taken to date. Thus, the KAZA Ministers gave a strong steer to HMG at the June 2019 Wildlife Economy Summit, that any work done in the KAZA region should be conducted through the KAZA Secretariat. If funding were to be given directly to implementing partners or NGOs to carry out projects, it would jeopardise the UK's relationship with the KAZA states and the Secretariat. It would also damage the relationship between the KAZA Secretariat and the NGOs we funded directly, meaning that any interventions would be difficult to implement, as there would be no Secretariat buy-in to the directly funded projects.

On balance, **option 3 is recommended**, as it delivers the HMG's strategic objectives in a way that works with the KAZA Ministers and Secretariat, ensuring value for money and delivery of outcomes.

6. Announcement

We expect the decision to allocate up to £347,924 to fund the UK's support for conservation activities in KAZA TFCA will be well-received by environmental NGOs and KAZA states. It will also be included in wider communications opportunities regarding the KAZA landscape.

We had previously recommended making the funding announcement during Minister Goldsmith's upcoming visit. However, due to the COVID-19 crisis, the planned May 2020 visit to KAZA is now postponed. Subject to the revised funding package for this year and revised travel plans, we will redesign a suitable comms package that delivers our objectives, including combining communications about this funding package alongside wider communications on the Biodiverse Landscapes Fund's application to KAZA. We will work on a proactive cross-government communications plan alongside DFID and FCO. Further proactive communications handling will be provided in due course.

7. Risks

The following risks and mitigations have been identified:

1) COVID-19

The global COVID-19 crisis is bringing with it some unique challenges and risks for Defra and the whole of the development community.

Likelihood: High

Impact: High

Mitigation Strategy: We have developed the revised approach to account for COVID-19 impacts on funding in 2020/21 and will only deliver project outputs which are deliverable in line with national priorities and policies in place within KAZA and HMG risk appetite. We are working closely with the KAZA Secretariat and FCO Post. We have demonstrated we are understanding with regards to the situation and the capacity of the Secretariat, implementation partners, and KAZA Partner States have. We will use review meetings to assess which projects can begin and which activities can take place subject to these impacts. This is in line with advice from the ODA and procurement teams. Finally, subject to a further business case, we will look to allocate the remaining funding to respond to immediate COVID-19 needs on the ground, ensuring we have a well-rounded package of activities.

There is also a risk that a re-occurrence of the COVID-19 virus could impact KAZA states, leading to further lockdown restrictions and further impacts on the delivery of these projects later in the financial year. This could cause further delays to project completion and spend. As a result, we will continue to monitor the situation through monthly meetings with the KAZA Secretariat. We will ensure the Secretariat includes any further risks in their reporting in these meetings. We will also work closely with FCO Posts in country to monitor the situation and gather information, if increased risks are raised we will go back to implementers to gather an understanding of the impacts on funding quickly so that mitigation actions can be taken and risks are flagged to the ODA board in Defra.

2) COVID-19 and related delays leading to an increased risk of fraud and error.

Delays incurred as a result of COVID-19 may see projects working to a faster pace of delivery in order to complete more activities in this financial year, which allows for an increased risk of fraud and error.

The pace is unlikely to increase significantly as work will need to be delivered in chronological order. However, this may be the case for some projects. We have made the KAZA Secretariat aware of this increased risk and have requested they reflect this in their relationship with implementers. We have discussed capacity with the KAZA Secretariat, and we will be able to retain monthly meetings with the KAZA Secretariat, despite COVID-19 restrictions in

place. These meetings will allow us to receive updates on delivery, ensure we are receiving evidence of spend regularly and that we are satisfied that the milestones have been completed prior to further funding being released in advance. We are confident we can still receive electronic invoices during this time and will have the capacity to scrutinise them.

- 3) Not supporting previous signals, we have made to the KAZA Secretariat at the June 2019 Wildlife Economy Summit.

Likelihood: Medium Impact: High

Mitigation Strategy: Commit to supporting the KAZA TFCA through the KAZA Secretariat. Continue to engage with the Secretariat and work with them to agree a set of shared priorities.

- 4) Delays on the ground may lead to projects not being delivered on time or to budget.

Likelihood: Medium Impact: High

Mitigation strategy: Develop robust monitoring and evaluation criteria that the KAZA Secretariat must report against on a monthly basis. Regularly engage with KAZA officials to flag any significant risks to finance ahead of time.

- 5) The programme is not sustainable moving forward; the datasets created from aerial surveys, WDA planning, and elephant collaring do not inform future policy decisions.

Likelihood: Medium Impact: High

Mitigation Strategy: Work with the KAZA Secretariat to develop ways in which the data will be used to inform future planning and decision making, for example land use mapping. Ensure that the KAZA Secretariat provide a pipeline of work that includes intended outcomes after data has been collected.

8. Procurement Route

The KAZA Secretariat, as the coordinating body for KAZA, enjoys political buy-in from all KAZA states, and is the only organisation that we consider able to action these projects, through their accountable implementing partners. The data that is collected from these projects will be used to inform policy interventions aiming to benefit the wider community, i.e. improving biodiversity and livelihoods, combating the global illegal wildlife trade, and encouraging a regional Wildlife Economy.

After consideration it was decided that a grant would be the most appropriate funding mechanism. In accordance with the Cabinet Office alternative funding options guidance, Defra will be paying for activities that are aligned with departmental policy, in order to finance specific recipient activities or services.

Defra is not paying for goods or services and is also not going to directly benefit from these outcomes, so a contract would not be appropriate.

9. Funding and Affordability

The cost of implementing these projects in full is up to £347,924. This ODA funding has been secured as part of the 19/20/21 ODA budget allocation process.

Financial Regularity have approved the pre-financing of these projects, and they comply with the five Managing Public Money requirements. The Wildlife Dispersal Area and veterinary fence assessments will be pre-financed on a quarterly basis. The elephant collaring will be paid by milestone.

A full cost breakdown for each project is provided in Annex A.

10. Management

The implementation of the projects in KAZA will be managed by Defra (Grant Manager in collaboration with KAZA Secretariat, with whom we have agreed a robust monitoring and evaluation framework in order to monitor spending and outputs.

Delivery update KAZA TFCA: September 2020

Summary

The purpose of this note is to provide an update on the current state of our KAZA Grant delivery and to recommend a way forward that accounts for the implications Covid-19 has had on delivery.

Recommendation

1. We recommend that you **agree** to fund the revised project proposals
2. We recommend that you **note** that we are now exploring projects to fund with our unallocated budget from this FY separately in conjunction with Defra and FCO IWT teams and Post.

Background

As a result of COVID-19, you approved a business case in May 2020 that detailed revised activity timelines. This involved 2 review meetings with the Secretariat and implementing partners at 4- and 6-month intervals to determine when projects could start. Due to a still-developing COVID-19 crisis in the KAZA States, the projects have not yet been able to start.

Therefore, we have consulted with the Secretariat and have asked the implementers to submit proposals to Defra that set out what *is* deliverable in this current COVID-19 context. We have also engaged regularly with our 'Grant support team' in Defra (Commercial, Evidence, Finance and ODA Finance), and they agree with our proposed way forward.

The projects

Subject to your approval, we will fund a revised suite of projects this year, which have been redesigned to account for the ongoing COVID-19 situation. We are therefore requesting approval for £198,830.52 to fund outputs this FY20/21. This will fund some of the remaining outputs of the elephant collaring project (we funded the procurement and manufacturing of the collars last FY19/20) and a revised veterinary fence assessment project. The proposal for the remaining outputs of the WDA planning activity is being internally appraised and will be put to you in due course if appropriate (we funded the inception meeting in FY19/20).

Subject to your approval of this spend, next FY we need to remove the elephant collars and fund the final report for the collaring which will cost £83,118.20. We have requested funding through SR20 for this; see risks section below.

Unallocated funding

Subject to the WDA project proposal (estimated at £100k), we will spend up to £298,830.52 of our allocated £500k this FY. We are keeping the ODA team updated on our potential underspend. We therefore have £201,169.48 unallocated budget, for which we are identifying projects that will combat IWT in KAZA.

We therefore ask you to note this, as we will submit a separate business case for any proposals in due course.

Revised Projects for FY 2020/21

Elephant collaring project

In FY 19/20, we funded the procurement and manufacturing of 40 GPS elephant collars, at a cost of £82,423. Due to lockdowns, delivery and fitting of the collars has been delayed. To progress this project, the Secretariat has provided individual budgets for fitting the collars in each KAZA country. This will enable us to create a Grant Agreement to allow us to mobilise only what is deliverable via a Variation. Commercial agree with this approach.

The remaining outputs to be delivered in 20/21 and 21/22 total approximately £217,048.70 (approx. figure as we do not have final Angolan budgets yet – see Annex A for breakdown), meaning the total project cost inclusive of collars will be £299,417.70. This is an increase from the original proposal which totalled £225k. This increase is because the original proposal budget did not include the Angolan budget which will total ~£30k. The cost has also increased as Governments are now implementing the project and require laptops (£8k), which will remain in the research units of the wildlife departments after the elephant collar project, and finally the Secretariat are now managing the project rather than WWF Namibia, so they have included a 10% management fee. We have consulted with ODA Finance and Commercial teams and they are happy with these changes.

Options

Option 1: Do not fund the revised elephant collaring project until next financial year.

The collars have been manufactured already and have a finite lifespan which ends in February 2022. If we did not fit the collars this season (i.e. this October/November), the collars would be wasted which would mean poor VFM. Furthermore, this project has already been delayed due to last year's rainy season and COVID-19 and delaying again poses a reputational risk. Finally, if we do not deliver the project this year, we will not have useful baseline data on elephant movement to provide a foundation for Biodiverse Landscapes Fund projects.

Option 2: Fund the elephant collaring project, accepting the risks outlined below.

Government Depts are ready to fit the collars as soon as they have been delivered. This means that we will be able to use the collars and achieve VFM. Under this option, HMG is seen as flexible and adaptable to the COVID-19 context and facilitating KAZA Governments' to lead wildlife management.

Therefore, **we recommend option 2.**

Risks

1. Outputs 2 and 3 (data gathering and analysis totalling £20k) will be delivered across this and next FY, as the collars will be on the elephants until next February 2022 and the data will therefore need to be monitored and analysed until they are removed. Defra is not able to guarantee the funds for these outputs next FY21/22.

Mitigation: We have engaged with our Finance Business Partner and Commercial and can draft the language of the Grant Agreement so that outputs 2 and 3 can be paid in advance in FY20/21 and the activities under these outputs can be continued into FY21/22.

2. The Grant Agreement will not be developed in time to fit the collars before the rainy season arrives in mid-November.

Mitigation: Commercial have estimated that they can set up the Grant Agreement by early October, subject to the clearance of this paper. This would leave the implementers 1.5 months to fit the collars in all five countries. Implementers are confident they can deliver in this window.

3. Implementing partners have changed from NGOs fitting the collars to KAZA Government Departments fitting the collars, with technical support from NGOs.

Mitigation: It is appropriate that Government Depts implement elephant collaring as they are the primary custodians and "owners" of KAZA. NGO partners will provide practical and technical support for analysis/reporting.

Veterinary Fence Assessment

A revised project now focuses in on desk-based analysis of existing and potentially proposed veterinary fences, with stakeholder-focused outputs removed. This project will also include collecting and collating photographic documents, updated maps, and satellite images. Community elder trackers will be hired to undertake field surveys. The total for the revised proposal is £64,900. Budget breakdown can be found in Annex A.

Options

Option 1: Do not fund the revised Veterinary Fence Assessment this financial year

Waiting until the Vet Fence Assessment can carry out stakeholder workshops would produce a higher quality and more comprehensive outcome. However, the revised project's outputs (inc. a policy report) will have transferrable recommendations across KAZA and the project could be expanded in the future via alternative funding routes. If we do not fund the revised project this year, we will have to rely on securing funding for next year, or not funding the project (revised or full proposal) at all. As we have already delayed the Vet Fence Assessment last year, delaying again or not funding would pose a reputational risk.

Option 2: Fund the revised Veterinary Fence Assessment

A major impediment to habitat connectivity across KAZA is the presence of veterinary disease control fences. There is currently political will to address the fences, and this project makes use of this current window of opportunity to produce a) baseline data and mapping and b) a final policy report that is co-developed and validated by the Botswana National Committee on Cordon Fences. The baseline data can be used as a foundation for further policy thinking across KAZA, and the report will therefore have political buy-in from Botswana, which may encourage other KAZA states. Finally, the field survey work will employ community elders at a time where employment in KAZA has suffered as a result of COVID-19.

Therefore, **we recommend option 2**

Risks

1. A lack of available data means the project outputs are not robust enough and therefore we do not achieve VFM.

Mitigation: A meeting between Defra, the Secretariat and Cornell University has confirmed that data will be collated from a variety of sources. Cornell University is an established implementer in KAZA with a good reputation and we therefore do not envisage issues in accessing data.

WDA project

We are seeking approval for the WDA Assessment project, costing £80,111.90. A budget breakdown can be found at Annex A. The project will be coordinated by consultants who will assess three of the six WDAs in KAZA (the other three have been assessed already): Khaudum Ngamiland (Namibia and Botswana), Zambezi Mosi-oa-Tunya (Zambia and Zimbabwe) and Hwange Makgadigadi Nxai Pan (Botswana and Zimbabwe). The project will run from Autumn 2020 – March 2021.

The remaining outputs of this project have been delayed and redesigned to ensure it can be completed in the context of Covid-19. The project can be broken down into three main parts: first, a detailed desk-based mapping exercise will be carried out using GIS, cartography and stakeholder knowledge which will i) plot the barriers to ecological connectivity and uses of land in the WDAs and ii) plot current live projects

in each of the WDAs. Second, this map will be used to facilitate and prompt country-led discussions. These consultations will identify and prioritise projects that respond to challenges identified on the map and through stakeholder discussions. The implementers have allocated budget to each country to carry out these consultations. Thirdly, consultations will be fed back to the implementers, who will facilitate a validation meeting between all countries to consolidate the package of prioritised projects and strategic vision. The original project followed the same three parts as described above and had a similar time frame, but the consultations were to be carried out through larger stakeholder forums and workshops.

Option 1: Do not fund the WDA Assessment project until next financial year.

Defra funded the inception meeting and the development of discussion documentation last FY19/20. If we funded the remaining outputs next financial year, it would be likely that the stakeholder discussions could be larger, workshop-style events. However, the discussion documentation is time-sensitive and context-specific. If we did not fund the project until next FY, we would have to update the discussion documents that have already been produced, which may incur extra cost and therefore mean poor VFM. Finally, if we do not deliver the project this year, we will not have a useful project prioritisation and strategic vision.

Option 2: Fund the WDA Assessment project.

The WDA Assessment project will address a gap in knowledge in the KAZA landscape. The three WDAs will each receive a report which is validated by the relevant partner countries and the report will be used to prioritise and create future project proposals. Therefore, the output from this project has strong potential to unlock further future funding (whether that be through the Biodiverse Landscapes Fund or other alternative donor or private finance mechanisms), creating a sustainable impact and strong value for money. Consultations are happening at the local level and give communities a chance to feed into a discussion on the future of their WDA in a post-Covid-19 context.

Furthermore, the project has already been started with Defra funding and it will show that we are flexible and able to adapt during the Covid-19 crisis if we fund the revised outputs.

Therefore, **we recommend option 2.**

Risks

1. Future lockdowns could mean that stakeholder workshops may not be able to happen in person; this may affect the quality of the contributions that are fed back into the reports.

Mitigation: We have consulted with the implementers who have redesigned the project under a 'worst case' scenario, and they are confident activities will

be able to go ahead as workshops are now downscaled to focus groups and 1-1's, to ensure more consultations can focus on depth of engagement rather than high numbers of participants. This is not only a 'covid-secure' methodology but also has been informed by lessons learnt from the implementers' assessments of the first three WDAs in 2016. One remaining risk is how to achieve meaningful political acceptance if the Validation Meeting has to be held virtually. Implementers are working with the Secretariat to prepare for this scenario.

2. The Partner States do not carry out the consultation process to a sufficient standard, using their allocated budgets. This will affect the quality of the final report and recommendations.

Mitigation: The Secretariat has asked the implementers to produce a guidance/checklist document which ensures Partner States are consistent in collecting the right information through their consultation, whilst being sensitive to the fact that each State will have their own consultation culture and methodology.

3. The project is due to run from October 2020 – March 2021; If we do not develop the Grant Agreement soon, the project time will be further compressed, and the project may not be able to deliver all its outputs to the appropriate quality and scale.

Mitigation: Subject to SRO approval, Commercial can develop the Grant Agreement by mid-October. Implementers have designed the project so that their outputs can be delivered in this short project time frame. The implementers are also circulating project milestones and feedback dates to ensure the project runs to time.

4. Defra ODA spending restrictions mean that funding can only be released in Q4.

Mitigation: The implementers are aware and accept that we can only disburse funds in Q4.

Handling

If you agree to our recommendations and agree to fund the revised projects, this will be received positively within the KAZA region. Defra will be seen as flexible and adaptable in light of COVID-19. This will positively impact our relationship with the Secretariat and Partner States, which is critical to the long-term success of these projects and the Biodiverse Landscapes Fund.

Annex A budget breakdown of KAZA TFCA projects

Elephant Collar Project Budgets – remaining outputs

The below costings detail the remaining outputs we need to deliver. We have already paid for the procurement and manufacturing of the collars which cost £82,423

Quarter	Outputs	Cost
3	Output 1 - Fitting the collars (8 collars in each country)	£111,191.39
3/4	Output 2 - Monitoring of elephant movement data;	£10,000
3/4	Output 3 - Data analysis;	£10,000
	Management fee	10%
		Total this FY20/21: £144,310.52
NEXT FY21/22	Output 4 - Report; policy recommendations	£12,600
Next FY 21/22	Output 5 - Removal of collars	£62,962
	Management Fee	10%
		Total for FY21/22: £83,118.20
		Grand Total of remaining outputs (FY20/21 AND 21/22): £227,528.72
		Grand Total of Project: £309,901.72

In response to ODA spending rules (spend in Q4 only), we ringfenced £120k to spend in Q3 which will cover the cost of fitting the collars and the monitoring of elephant movement and data analysis outputs.

Veterinary Fence Assessment Budgets

Quarter	Output	Cost
3	Output 1 - Data collation, review and analysis	£46,640
4	Output 2 - Report to inform policy and action	£18,260
		Grand total of project: £64,900

This project will align with ODA spending restrictions, and we will only pay for activities in Quarter 4.

WDA Assessment Budgets – remaining outputs. We paid £20,150.60 to fund the first two outputs of the WDA Assessment.

Quarter	Output	Cost
4	3 - Professional service provider fees (consultants)	£21,965.71
4	3 - Data sourcing and mapping	£5,000
4	3 - In-country Consultation budgets	£35,304
4	4 - Professional service provider fees (consultants)	£2834.29
4	4 - Validation meeting	£7,725

4	KAZA Secretariat management fee	10% total budget
		Total FY21/20: £80,111.90
		Total for FY19/20: £20,150.60
		Grand total for project: 100,262.50