BIODIVERSITY ECONOMY:
A FOCUS ON WILDLIFE SECTOR

DATE: 08 March 2018
BIODIVERSITY ECONOMY INDABA
East London - ICC
South Africa is the 3rd most biodiverse country in the world

- 2% of the world's land area
- 7% of the world's reptiles, birds and mammals
- 10% of the world's plants
- 15% of the world's coastal marine species

South Africa
Wildlife ranching occupies 18.7 million ha (15.3%) of South Africa’s total surface area

South African Land Area and uses, Ha millions

<table>
<thead>
<tr>
<th>Land area</th>
<th>Portion % of total surface area</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA total surface area</td>
<td>100%</td>
</tr>
<tr>
<td>Not suitable for agriculture/ranching</td>
<td>31%</td>
</tr>
<tr>
<td>Suitable for livestock</td>
<td>69%</td>
</tr>
<tr>
<td>Wildlife ranching*</td>
<td>15.3%</td>
</tr>
<tr>
<td>All other* (incl. livestock, crops, urban etc.)</td>
<td>53.6%</td>
</tr>
</tbody>
</table>

**Legend**

- **SA total surface area**: 121.3
- **Not suitable for agriculture/ranching**: 37.9
- **Suitable for livestock**: 83.4
- **Wildlife ranching***: 18.7
- **All other* (incl. livestock, crops, urban etc.)**: 64.7

**SOURCE:**

1. FAOSTAT
The wildlife sector comprises 3 sub-sectors:

**Wildlife ranching**

- **Primary activities:**
  - Breeding
  - Live sale

- **Secondary contributors:**
  - Live captures
  - Translocation Services
  - Veterinary Services
  - Fencing and maintenance

**Wildlife activities**

- **Primary activities:**
  - Wildlife Viewing
  - Trophy Hunting
  - Biltong Hunting

- **Secondary contributors:**
  - Accommodation
  - Transport
  - Equipment & Supplies (Arms, Ammunition etc.)
  - Taxidermy

**Wildlife products**

- **Primary activities:**
  - Game Meat Processing
  - Skin and Hide Production
  - Other products (e.g. curios and decorations)

- **Secondary contributors:**
  - Packaging and Transportation
Between 60-70% of the value of the hunting sector comes from ancillary goods and services.

**Pre-hunt**
- Live Sales: R 3 b
- Equipment: 0.8
- Transport: 0.7
- Fees: 0.4

**Hunt**
- Local Hunting: 3.0
- Accommodation: 0.7
- Food and beverage: 0.5
- International Hunting: 0.5
- Eco-tourism: 0.3

**Post-hunt**
- Other (Meat processing etc.): 1.2
- Taxidermy: 0.6
- Game meat: 0.2

**Total Revenue**
- R 10.1 b
There is a wide variety of wildlife products that can be produced and promoted

Example Products

Products made from bone
- Jewelry
- Curios

Products made from skin
- Wallets & handbags
- Shoes

Products made from horn
- Lampstands
- Decorations

Animal Hides

Game Meat
The value of the wildlife sector in the Economy

- **Wildlife ranching**
  - Live sale auction contributed R1.7billion into the economy in the year 2016.

- **Wildlife activities**
  - In 2013, 9000 international hunters visited the country. On average one visit to SA per year, spending between 10 and 21 days; mainly for trophies, which are also major supplier to meat sector. Top-5 countries: USA; Spain; Denmark; Sweden; Germany.
  - In the same year, 200 000 Biltong hunters where recorded. On average hunting 3 times a year, spending approximately 4 days. **Consumptive hunting contributed R8.6 billion into the economy in the year 2015 (35% growth 2013-2015)**

- **Wildlife products**
  - This subsector contributed R4.5billion into the GDP in the year 2014

**NB:** The sector also has aspects of tourism, thus its GDP contribution is currently measured under the Agriculture and tourism sector.
## Key Legislation

### Animal Identification Act, No. 6 of 2002
- To consolidate the law relating to the identification of animals and to provide for incidental matters

### Animal Protection Act No. 71 of 1962
- To consolidate and amend the laws relating to the prevention of cruelty to animals

### Animal Improvement Act, 1998 (Act no. 62 of 1998)
- To provide for breeding, identification and utilization of genetically superior animals in order to improve production and performance of animals in the interest of the Republic and to provide for matters connected therewith

### Conservation of Agricultural Resources Act No. 43 of 1983
- Through the Natural Resource Management unit, the department provides for control over the utilization of natural agricultural resources in order to promote the Conservation of soil, water sources, vegetation, and animals and the combating weeds and invader plants

### Animal Diseases Act, 1984 (Act 35 of 1984)
- Health control, imports and export of animals. Through the Veterinary Services unit, the Department provides for control measures for the prevention of diseases and parasites and for schemes to promote animal health

- To provide for the formation, Incorporation functioning, winding up and dissolution of cooperatives; for the appointment of a registrar of cooperatives; and for the incidental matters

### Various Provincial Acts/Ordinances
- Limpopo
- Mpumalanga
- Gauteng
- North West
- KwaZulu Natal
- Western Cape
- Freestate
- Eastern Cape
- Northern Cape

**SOURCE:** Government and regulator websites
OVERVIEW

Key legislation

- To provide for an integrated and co-ordinated disaster management policy that focuses on preventing or reducing risk of disaster, mitigating the severity of disaster, emergency preparedness, rapid and effective response to disaster and post-disaster recovery

- To provide for measures to promote meat safety and the safety of animal products; to establish and maintain essential national standards in respect of abattoirs; to regulate the importation and exportation of meat

**Fencing Act. 1963 (Act 31 of 1963)**
- To consolidate the laws relating to fences and the fencing of farms and other holdings and matters incidental thereto

**National Environmental Management Act No. 107 of 1998**
- To provide for cooperative, environmental governance by establishing principles for decision-making on matters affecting the environment

- To authorize the establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of levies on agricultural products

**National Environmental Management: Biodiversity Act No. 10 of 2004**
- To provide for the management and conservation of South Africa’s biodiversity within the framework of the National Environmental Management Act, 1998: the protection of the species and ecosystems that warrant national protection

SOURCE: Government and regulator websites

NON-EXHAUSTIVE
<table>
<thead>
<tr>
<th>South Africa's Challenge</th>
<th>Current Contribution of the sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty</td>
<td>Game meat sales and game meat donation to communities</td>
</tr>
<tr>
<td>Unemployment</td>
<td>Employs more than 100 000 people</td>
</tr>
<tr>
<td>Inequality</td>
<td><strong>Sector remains untransformed (biggest challenge)</strong></td>
</tr>
<tr>
<td>Economic Growth</td>
<td>Income generation of R9.1 billion a year (0.27% of GDP)</td>
</tr>
</tbody>
</table>
### Skills required to support the sector

<table>
<thead>
<tr>
<th>Wildlife ranching</th>
<th>Wildlife activities</th>
<th>Wildlife products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SMMEs:</strong></td>
<td><strong>Skills required:</strong></td>
<td></td>
</tr>
<tr>
<td>– New entrants /developing game farmers</td>
<td>- Hunting:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>– Training of Professional Hunters and Outfitters</td>
<td></td>
</tr>
<tr>
<td></td>
<td>– Trackers and skinners.</td>
<td></td>
</tr>
<tr>
<td><strong>Skills required:</strong></td>
<td>- Accommodation:</td>
<td>- <strong>Skills required</strong></td>
</tr>
<tr>
<td>- <strong>Management skills:</strong></td>
<td>– Hospitality, focussing on visitor management, the administration, maintenance and catering needs of lodges and other tourism facilities</td>
<td>- <strong>Meat Processing</strong></td>
</tr>
<tr>
<td>– Technical skills in Wildlife Management</td>
<td></td>
<td>- Meat processing, focussing on the skills and qualifications necessary to manage and operate an abattoir and butchery, including meat handling, inspection and butchery skills</td>
</tr>
<tr>
<td>– Record keeping</td>
<td>- Skin and Hide Production</td>
<td>- Skin and Hide Production</td>
</tr>
<tr>
<td>– Financial management</td>
<td>– Processing of skins and hides for clothing, textiles, Leather &amp; Footwear</td>
<td></td>
</tr>
<tr>
<td>– Human resources management</td>
<td>– Taxidermist</td>
<td>– curios and decorations</td>
</tr>
<tr>
<td>– Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>– Environmental management</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Business Skills:** Ability to recognize opportunities, Innovative, Communication, leadership, team management, risk management, financial, marketing and enterprise skills
“How do we maximise the potential wildlife economy?”
VISION: “A THRIVING, INCLUSIVE AND SUSTAINABLE WILDLIFE ECONOMY FOR THE WELL-BEING OF ALL SOUTH AFRICANS”

**Aspiration**

An inclusive, sustainable and responsive wildlife economy that grows at 10% p.a until at least 2030, while providing a foundation for social well-being and maintaining the ecological resource base

| Objectives | 1 Economic growth | ▪ Average yearly sector GDP increase of ~10%
▪ Create 100,000 new jobs |
| 2 Transformation | ▪ 30% of wildlife businesses **PDI owned**
▪ PDI ownership of >5 million Ha, and access to another >5 million Ha
▪ **4,000 PDI owned SMMEs** supported to engage in the wildlife economy
▪ 300k heads of game by 2030 on PDI ownership |
| 3 Sustainability | ▪ **5 million** ha of non-protected areas contributing towards conservation target (AICHI)
▪ **3.5% animal population** net growth p.a. |

1 Trained or directly linked to the wildlife supply chain
### Initiatives

The Wildlife Economy Lab developed detailed plans for 15 initiatives and a further 6 recommendations.

#### Facilitating Transformation

1. Identify and prioritize 10m Ha for transformation of wildlife economy
2. Coordinate existing support mechanisms under a ‘Wildlife Support Unit’ to efficiently support new entrants
3. Increase capacity and support for (at least) 300 CPA’s, trusts and traditional authorities
4. Create supply chain linkages and capacitate 4,000 SMMEs (new and existing) to locally capture the value of ancillary goods and services to the wildlife economy
5. Operationalise 11 biodiversity economy nodes that unlock the economic potential of protected and communal areas through new generation partnerships
6. Empower 4,000 emerging entrepreneurs and farmers through focused capacity building programmes
7. Formalize SA game meat market and create a network of game meat processing facilities
8. Implement a campaign that drives participative transformation and consumer growth for wildlife related activities and products
9. Create an enabling legislative environment through the amendment of NEMBA
10. Develop and implement wildlife industry standards
11. Implement a national wildlife economy branding scheme
12. Develop and implement an electronic wildlife permitting system and centralised database
13. “Re-position” the Wildlife Forum as an efficient interdepartmental/industry collaboration and co-ordination platform to promote the benefits of the Wildlife Economy
14. Develop an integrated knowledge/evidence generating and sharing platform to support the wildlife economy
15. Leverage protected areas to unlock economic potential

#### Recommendations

1. Recommendations will be included with high level activities, but these will not have 3ft plans

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1. **Promote sustainable use as a foundation for conservation and growth of biodiversity economy**
2. **Develop a strategic marketing campaign and value proposition for mixed game and livestock systems**
3. **Establish mechanisms to allow for holistic and integrated management of animal health and conflict issues at the livestock-wildlife interface**
4. **Develop an appropriate mechanism to manage and mitigate risk**
5. **Develop, upskill and resource extension services to facilitate the growth of the wildlife economy**
Land uses prioritised land for the Wildlife Economy – avoid conflicts

By selecting the most viable land use option, conservation and commercial risk is reduced
The uMfolozi node unlocking the Biodiversity Economy and accelerating transformation through new generation partnerships

**Investment Impacts**
- Access for investors to strategically located extensive wildlife areas with high development potential and existing brand value
- Reduced development costs as investors don’t have to buy land while communities/government don’t have to fund full development burden
- Higher investor confidence through partnerships between communities, PA’s and private sector

**Economic Impacts**
- Sourcing locally the PA can inject >R14 million p.a. into the local economy
- Clustered development improve economies of scale, accelerating economic growth e.g. more flights to airports; shuttle services to lodges; tanneries; supplies etc.
- Alignment with Agi-Park for processing and export of products e.g. Game meat processing and curios

**Transformation Impacts**
- 350ha Empenbeni community area (350ha) not economically viable on its own was unlocked by proclaiming as a PA and inclusion into HIP, securing investment of more than R44 million
- 13000 ha Babanago will be more viable and investment friendly due to its location in a Biodiversity Economy Node
- 28000ha Emakhosini Royal Game-Cattle Initiative, to be proclaimed as World Heritage Site, expands the wildlife-based product offering in the node, whilst attracting communal areas into the wildlife economy without parting with cultural values
- The dropping of fences between communities, PA’s and private ranches results in reduced infrastructure costs, free game movement from PA, management/mentorship support, joint marketing, leveraging investment, increase in land value >3x and accelerated development.

**Conservation Impacts**
- Transformation of communal land provide linkages with node & PA’s to the north, expanding the Conservation Estate and increasing resources fueling the Biodiversity Economy
- Dropping fences with neighbours provide corridors for migration and climate change adaptation
- PA’s dropping fences with community PA’s reduce cost for PA expansion as well as achieving conservation targets – increased protection of Critical Biodiversity Areas and range expanding for threatened species e.g. Rhino + wild dog (uMfolozi Big 5 Initiative)
- In partnership with neighbouring private game ranchers and communities, PA’s can improve their management performance (METT) without additional costs to government e.g. Kwasangyue-Opathe-Vriendschap Initiative
By 2021, 110 processing facilities will create 2,500 jobs, and generate ~R1.6 billion in revenue.

- 18.5K tons of meat
- ~R1.6 billion in revenue
- ~1,700 direct jobs
- ~800 peripheral jobs

R 490 million Investment

Private/Public sector/DTI & IDC fund

72% 6% 22%
The new Wildlife Economy Support Programme (WESP) will harness and coordinate existing support mechanisms to empower new entrants in the industry.

Coordinated under new Wildlife Support Programme

Support package
- Business set-up support
- Infrastructure support
- Game loans/donations
- Agricultural support & veterinary services
- Ranching skills and market access

Primary delivery mechanism
- Recap and Development Program, EPIP, DSBD, The DTI
- DEA:EPIP, DRDLR:Recap and Dev, Private Sector
- Donations, loans, fence dropping (in context of national protocol for game donations)
- Stewardship/Extension services
- Mentorship programmes
  - Partnership building
  - DTI support with (among others) access to market

WSU partner
- Prov Authorities
- Private sector
- South African National Parks
- Department of Agriculture, Forestry and Fisheries
- Department of Trade and Industry
Progress on Wildlife economy lab initiatives

Initiative:
Identify and prioritize **10m Ha for transformation** of wildlife economy

<table>
<thead>
<tr>
<th>Province</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gauteng</td>
<td>5566.488</td>
</tr>
<tr>
<td>KZN</td>
<td>161875.5</td>
</tr>
<tr>
<td>Limpopo</td>
<td>152148.4</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>49386.42</td>
</tr>
<tr>
<td>NorthWest</td>
<td>39443.91</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>408420.8</strong></td>
</tr>
</tbody>
</table>

Land classified as game farms

<table>
<thead>
<tr>
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<th>Hectares</th>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>408420.8</strong></td>
</tr>
</tbody>
</table>

- Game farms: 408420.8 ha
- Nature Reserves: 670299.04 ha
- Total: 1078720.2 ha

Land under Conservation

<table>
<thead>
<tr>
<th>Province</th>
<th>Hectares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mpumalanga</td>
<td>164817.5</td>
</tr>
<tr>
<td>KwaZulu-Natal</td>
<td>306686.3</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>51528.94</td>
</tr>
<tr>
<td>Western Cape</td>
<td>10285.64</td>
</tr>
<tr>
<td>Gauteng</td>
<td>11897.81</td>
</tr>
<tr>
<td>Limpopo</td>
<td>99401.76</td>
</tr>
<tr>
<td>Free State</td>
<td>25681.48</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>670299.4</strong></td>
</tr>
</tbody>
</table>

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**DEscription:**
Red and Orange in Purple reflect Data ETL and Data modelled

**Legend:**
- Game farms: Red
- Nature reserves: Orange
- Provincial boundaries: Blue

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**Disclaimer:**
This department does not guarantee the accuracy of information supplied and accepts no responsibility for information supplied or request. Information usage is the full responsibility of the user.
### Progress on Wildlife economy lab initiatives

**Initiative:**

Establish, develop and support new wildlife ranching entrants through infrastructure support and game donation programmes

<table>
<thead>
<tr>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>- R66.6 million Gov investment</td>
</tr>
<tr>
<td>- R136 million private investment</td>
</tr>
<tr>
<td>- R48.8 million Pvt pending from jobs Fund</td>
</tr>
<tr>
<td>- Total of 782 jobs created</td>
</tr>
<tr>
<td>- More than 1000 game donated</td>
</tr>
</tbody>
</table>
## Progress on Wildlife economy lab initiatives

<table>
<thead>
<tr>
<th>Initiative:</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase capacity and support for (at least) 300 CPA’s, trusts and traditional authorities</td>
<td>Training workshops held with 30 Community Property Associations (CPAs):</td>
</tr>
</tbody>
</table>

- [Image of training workshops]
Progress on Wildlife economy lab initiatives

<table>
<thead>
<tr>
<th>Initiative:</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create supply-chain linkages and capacitate 4,000 SMMEs (new and existing) to locally capture the value of ancillary goods and services to the wildlife economy</td>
<td>Facilitated market access for SMMEs</td>
</tr>
</tbody>
</table>
Progress on Wildlife economy lab initiatives

Initiative: Operationalise 11 biodiversity economy nodes (BENs)

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 BENs confirmed</td>
<td>Awaiting finalisation</td>
</tr>
<tr>
<td>- 2 MP</td>
<td>LP</td>
</tr>
<tr>
<td>- 6 NC</td>
<td>GP</td>
</tr>
<tr>
<td>- 2 KZN</td>
<td>WC</td>
</tr>
<tr>
<td>- 2 MP</td>
<td>FS-Pending</td>
</tr>
<tr>
<td>- 5 EC</td>
<td></td>
</tr>
</tbody>
</table>

Map and images of wildlife and landscapes.
Progress report on the lab initiatives

Empower 4,000 emerging entrepreneurs and farmers through focused capacity-building programmes

Summary of training implemented under the Youth Conservation Programme:
- Youth Conservation Programme (YCP): The CITIES Legacy Project – 407 participants
- Global Youth Biodiversity Network (GYBN) - Africa Capacity Building Workshop. 25 Participants
- MAB Youth Forum Italy Conference 2017 – 10 participants

Total number of people trained (cumulative):
Total= 587

Ongoing training opportunities for the emerging farmers to take part in the biodiversity economy:
- North West Parks Board- trained 39 new Professional Hunters.
- Northern Cape Province trained 20 new Professional Hunters.
- 46 game farmers were exposed to the hunting, skin and hides value chain.
- 23 emerging farmers supported to attend the AFASA conference
- Facilitated and supported 1 entrepreneur for Imvelisi incubation and training programme.
- Mebala Ya Rona Conference held in the North West..10 emerging farmers were supported to attend
- WRSA transformation Conference undertaken
Progress report on the lab initiatives

7

Formalize **SA game meat market** and create a network of game meat processing facilities

- Working close with DAFF to formalise the game meat market
“Wildlife economy at work”
Wildlife Economy
Pilot Projects
## Mayibuye Game Reserve

<table>
<thead>
<tr>
<th>Province</th>
<th>No of beneficiaries</th>
<th>Government investment</th>
<th>Private investment unlocked</th>
<th>No of EPWP employment</th>
<th>No of people trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>KwaZulu Natal</td>
<td>2500</td>
<td>R 10 million</td>
<td>R 100 million (potential for eco estate development; R48,8 from jobs fund)</td>
<td>44 49 2</td>
<td>76 76</td>
</tr>
</tbody>
</table>
### Double Drift Nature Reserve

<table>
<thead>
<tr>
<th>Province</th>
<th>No of beneficiaries</th>
<th>Gov investment</th>
<th>Private investment unlocked</th>
<th>No of EPWP employment</th>
<th>No of people trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eastern Cape</td>
<td>1500</td>
<td>R 6.6 Million</td>
<td>R0</td>
<td>50  56  2</td>
<td>86</td>
</tr>
</tbody>
</table>
Key Areas for reflections

- Expediting **transformation** in the sector (ownership, skills, community empowerment & access)

- **Support** to the new entrants (individuals/groups)

- **Land** ownership

- Product Quality and Risk management

- Strategic **partnership** issues

- Wildlife **value chain** and **market** access

- Equitable **shareholding** and **benefit sharing models**
CONTACT DETAILS

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