## **Critical Ecosystem Partnership Fund**

No-Objection Approval Pursuant to Section 2.03(c) of the Financing Agreement 26 February 2010

## **Ecosystem Profile for the Maputaland-Pondoland-Albany Biodiversity Hotspot**

## Recommended Action Item:

The Donor Council is asked to **approve on a no-objection basis** the ecosystem profile for the Maputaland-Pondoland-Albany biodiversity hotspot. Similarly, the Donor Council is asked to provide for the increase to the CEPF spending authority from \$147.9 million to \$153.4 million for implementation of this profile.

The deadline for the no-objection approval is 12 April 2010.

## Background:

The Donor Council approved five new biodiversity hotspots as priorities for CEPF investment in July 2007 based on the paper "Setting Priorities for Future Investment"<sup>1</sup> as follows:

- Mediterranean Basin;
- Caribbean Islands;
- East Melanesian Islands;
- Eastern Afromontane (incorporating the Horn of Africa as appropriate); and
- Maputaland-Pondoland-Albany.

Two other new priorities for investment are expected to be selected at a later date from among the following hotspots: Madrean Pine-Oak Woodlands; Cerrado; Wallacea; Chilean Winter Rainfall-Valdivian Forests; and Mountains of Central Asia.

Profiling for the Maputaland-Pondoland-Albany Hotspot formally began in April 2009 after the Donor Council gave approval for the profiling in January 2009.

This hotspot spans an area of nearly 275,000 km<sup>2</sup> and includes portions of South Africa, Swaziland and Mozambique. The hotspot is the second richest floristic region in southern Africa (after the Cape Floristic Region) and also the second richest floristic region in Africa for its size. At a habitat level, one type of forest, three types of thicket, six types of bushveld and five types of grasslands are unique to the hotspot. The coastal waters of this hotspot are also significant at the global level for their diversity of marine species.

Paralleling the natural diversity, the cultural and socioeconomic diversity of the region is incredibly high. From residents of the urban centers of Maputo, Durban and Port Elizabeth to commercial farmers and foresters, to traditional pastoral cultures of the Zulu, Xhosa and Swazi and artisanal fishing culture in Mozambique, all are dependent on the region's natural resources for their livelihoods and well-being. The CEPF investment in this region is critical to stem the threats, balance human and natural needs, and conserve this unique part of the world.

<sup>&</sup>lt;sup>1</sup> Setting Priorities for Future Investment paper, <u>www.cepf.net/Documents/11\_10.settingprioritiesforfutureinvestment.pdf</u> (PDF - 246 KB)

The Ecosystem Profile for the Maputaland-Pondoland-Albany Hotspot was developed through a process of stakeholder consultation and expert research studies coordinated by Conservation International's Southern Africa Hotspots Program and the South African National Biodiversity Institute. More than 150 stakeholders from civil society, government and donor institutions were consulted during the preparation.

A working draft of the profile was shared with the CEPF Working Group and stakeholders in October 2009 as part of the preparations for a final regional stakeholders meeting. A refined draft of the profile was discussed at a meeting of the Working Group in November 2009. In addition, a further refined draft of the investment strategy was distributed to the Working Group in February 2010 for final review. All comments have been incorporated into this final draft submitted for Donor Council review and approval.

The ecosystem profile presents an overview of the hotspot in terms of its biological importance, climate change impacts, major threats to and root causes of biodiversity loss, socioeconomic context and current conservation investments. It provides a suite of measurable conservation outcomes, identifies funding gaps and opportunities for investment, and thus identifies the niche where CEPF investment can provide the greatest incremental value. It also contains a five-year, \$5.5 million investment strategy for CEPF in the region.

Despite the considerable investments in conservation in the hotspot, many immediate and longterm threats to biodiversity persist primarily because of biodiversity-incompatible land use beyond protected area boundaries. Recent historical events, including apartheid, war and human displacement, have led to extensive degradation throughout the hotspot and this will take decades to redress. New economic development, driven partly by the urgent need to address high levels of poverty, is also placing pressure on natural resources. Coastal and peri-urban development, overexploitation of natural resources for commercial and subsistence purposes, and habitat degradation and loss from agriculture continue to degrade and destroy habitats at disturbing rates, making the entire region and its biodiversity more susceptible to negative impacts from anticipated climatic changes. Underlying these direct threats are poverty, population density, land tenure and reform conflicts, constraints to effective government response, poor knowledge and capacity, and changes in global climatic conditions. Better management of the hotspot's landscapes and seascapes is essential for sustainable growth and development in the region.

CEPF's niche in the Maputaland-Pondoland-Albany Hotspot will be to support civil society in applying innovative approaches to conservation in undercapacitated protected areas, key biodiversity areas and priority corridors, thereby enabling changes in policy and building resilience in the region's ecosystems and economy to sustain biodiversity in the long term. CEPF support will lead to broad participation of civil society in strengthening protection and management of the highest priority areas for conservation and will stimulate sustainability of its interventions by catalyzing and creating an enabling environment. Acknowledging key capacity constraints in Mozambique and Swaziland, CEPF will make specific contributions to enable longer-term conservation efforts in these countries. CEPF will secure and expand societal investment in maintaining healthy ecosystems by influencing policies and practices, and will ensure that ecosystem resilience is maintained and restored.