

**N2 Wild Coast Biodiversity Offset Project**  
Offset Implementation Management Series  
Report 4  
Stakeholder Engagement Implementation Plan

---



August 2020

Prepared by  
Sigwela and Associates JV SG Environmental Empowerment  
06 Epson Road, Sterling, East London 📞 (043) 735 1374 📠 086 554 0950


## SUBMISSION

The Offset Implementation Plan Series has been submitted for approval by the Eastern Cape Parks and Tourism Agency:


### Submitted for Approval By:

Name: Dr Ayanda Sigwela Position: Director of Sigwela and Associates Date: 20 August 2020	
---	--

### Received By:

Name: Mr Sakiwo Nombembe Position: Senior Manager, Stakeholder Engagement & Biodiversity Offsets, ECPTA Date: 8th September 2020	
--	--

### Approved By:

Name: Mr Vuyani Dayimani Position: Chief Executive Officer, ECPTA Date: 12 October 2020	
---	---

## **EXECUTIVE SUMMARY**

Stakeholder engagement is considered one of the most pertinent success factors of biodiversity offset projects. As a consequence, one of the principles of biodiversity offsets states that offsets should be designed and implemented in a transparent and timely manner, engaging with interested and affected parties. It goes further to state that the rights and responsibilities, risks and rewards associated with an offset should be shared in a fair and balanced way, respecting legal and customary arrangements, and recognised rights of indigenous peoples and local communities. It is with these sentiments and principles in mind that the Stakeholder Engagement Implementation for the N2 Wild Coast Biodiversity Offset Project is developed. It is developed against the background provided by one of the project milestones, Public Participation and Stakeholder Analysis Report of July 2019, which has been already adopted by the ECPTA. As such it should not be considered as a standalone document but as a complement to the work that has been done earlier in this Project lifecycle.

The Stakeholder Engagement Plan follows the best practise as well as best practice guidelines and its overall objective is to define a stakeholder engagement, public information disclosure and consultation process that will be implemented as part of the Wild Coast N2 Biodiversity Offset Project (WCNBOP). This plan highlights the methods and tools that will be used by the WCNBOP to communicate with people and stakeholder groups, who may be affected by or interested in the Project operations and activities. The end goal of the Stakeholder Engagement Plan is to build a trusting relationship with both the communities and other interested stakeholders, based on a transparent and timely supply of information and open dialog. The Stakeholder Engagement Plan and the process defined herein describe the methods that will be used to accomplish this goal. This SEP will be used as a guideline for any stakeholder engagement in the Project and draws on experiences of previous projects of similar scale and nature in the Wild Coast area. It should be taken as a living document that sets parameters for any stakeholder engagement. It lays the foundation for further stakeholder engagement in the Project by providing the principles, key considerations for stakeholder techniques, and also provides an analysis of stakeholders in the Project domain while proposing the level of engagement for such stakeholders. The SEP also sets out the relevant stakeholder engagement techniques as well as a roadmap to be followed in reaching agreements with key stakeholders.

**CONTENTS**

Submission ..... ii

Executive summary.....iii

Introduction ..... 1

    Overview of Stakeholder Engagement..... 2

        The Meaning of Stakeholder Engagement ..... 2

        Core Values of Stakeholder Engagement ..... 3

Progress on Stakeholder Engagement for the Wild Coast N2 Biodiversity Offset Project ..... 6

    Stakeholder Mapping..... 6

    Stakeholder Analysis..... 12

    Levels of Stakeholder Engagement..... 14

Increasing Impact on the Decision..... 15

    Stakeholder Engagement Approach ..... 16

    Stakeholder Engagement Techniques..... 17

    Process to be followed to reach agreements with key stakeholders..... 22

Institutional Arrangements for Public Participation ..... 23

    Project Steering Committee (PSC) ..... 23

    The Stakeholders Forum ..... 23

    The Community Conservation Committees ..... 23

    Identification of interested commercial agencies and opportunities to leverage support ..... 23

    Possible interventions for community readiness for commercial investment in their land..... 25

References ..... 27

## INTRODUCTION

Biodiversity offsets can be simplified as an ‘on the ground’ compensation for negative impacts on biodiversity that remain after higher priority measures in the mitigation hierarchy have been taken into account. It is considered as a last resort in the mitigation hierarchy. The goal of the biodiversity offsets is to achieve “no net loss” and preferably a “net gain” of biodiversity on the ground with respect to species composition, habitat structure, ecosystem function, and people’s use and cultural values associated with biodiversity.

Offsets are seen as a mechanism to enable the polluter-pays principle as indicated in the National Environmental Management Act (NEMA), which states that the costs of cumulative impacts on natural systems and ongoing erosion of natural capital are currently being borne by society as externalities, rather than by those responsible for these impacts.

Worth noting is that one of the main approaches to offsetting residual negative impacts is to avert the risk of imminent or projected loss of biodiversity by tackling the underlying causes of biodiversity loss in an area, through working with communities to support sustainable livelihoods. So this approach advocates for more than community involvement in offset activities but also seeks collaboration with communities. It comes as no surprise that biodiversity offsets are guided by a number of principles such as the following:

1. **Science and traditional knowledge:** the design and implementation of offsets should be based on science as well as traditional or local indigenous knowledge.
2. **Enforceable and auditable:** offsets must be able to be legally enforced and audited, through explicitly worded conditions, covenants or contracts.
3. **Landscape context:** offsets should contribute to conservation in a landscape context, supporting an ecosystem approach.
4. **Timing:** offsets in the most appropriate form must preferably be secured before the development commences.
5. **Stakeholder engagement:** offsets should be designed and implemented in a transparent and timely manner, engaging with interested and affected parties. The rights and responsibilities, risks and rewards associated with an offset should be shared in a fair and balanced way, respecting legal and customary arrangements, and recognised rights of indigenous peoples and local communities.

Therefore, based on the principles above as taken from Business and Biodiversity Offsets Programme (2009), it is rather obvious that stakeholder engagement is quite significant in securing offsets, ensuring that the offsets contribute to conservation of landscape, and that the design and implementation of offsets is inclusive of scientific and traditional knowledge. It is in this regard that the Stakeholder Engagement Plan is prepared as part of the Wild Coast N2 Biodiversity Offset Implementation Plan.

The proposed Wild Coast N2 Road within which the biodiversity offsets are planned is in the north-eastern region of the Wild Coast, where the toll road is set to be constructed on the “greenfields”. It will traverse the Mbizana, Ingquza Hill and Port St. Johns Local Municipalities. The sites that were initially identified for biodiversity offsets are mainly within the Ingquza Hill and Port St. Johns Local Municipalities and less in the Mbizana Local Municipality. In Ingquza Hill the municipal wards affected by the Biodiversity Offset Project are municipal wards 23 and 25, and in Port St. Johns municipal wards 6, 10, 11 and 12 are affected. Most of these wards are sparsely populated with a high number of women and younger people. All the municipal wards seem to have a high dependency ratio and high unemployment, more so especially of the economic active population. By and large, traditional leadership is still dominant in the area and co-exists with the democratic municipal structures.

It is intended that the stakeholder engagement follows the best practise as well as best practice guidelines such as those set out by international bodies as the IAP2. The **overall objective** of the Stakeholder Engagement Plan (SEP) is to define a stakeholder engagement, public information disclosure and consultation process that will be implemented as part of the Wild Coast N2 Biodiversity Offset Project (WCNBOP). This Plan highlights the methods and tools that will be used by WCNBOP to communicate with people and stakeholder groups, who may be affected by or interested in the Project operations and activities. The end goal of the stakeholder implementation plan is to build a trusting relationship with the communities and other interested stakeholders, based on a transparent and timely supply of information and open dialog. The Stakeholder Engagement Plan and the process defined herein describe the methods that will be used to accomplish this goal. This SEP will be used as a guideline for any stakeholder engagement in the Project. It should be taken as a living document that sets parameters for any stakeholder engagement. As such, the effectiveness of any stakeholder engagement should be gauged against it.

## **Overview of Stakeholder Engagement**

### ***The Meaning of Stakeholder Engagement***

Stakeholder engagement will be free of manipulation, interference, coercion and intimidation, and conducted on the basis of timely, relevant, understandable and accessible information, in a culturally appropriate format. It involves interactions between identified groups of people and provides stakeholders with an opportunity to raise their concerns and opinions (e.g. by way of meetings, surveys, interviews and/or focus groups), and ensures that this information is taken into consideration when making project decisions (Craxton et al. 2014).

Stakeholder engagement has gained ground in the environmental sector since the 1980s with the Brundtland report resulting in a trend towards more multi-level management of natural resources. As a result, broad public participation in decision-making is seen as one of the fundamental prerequisites for the achievement of sustainable development. This includes the need of individuals, groups and organisations to participate in and to know about decisions, particularly those which potentially affect the communities in which they live and work. Individuals, groups and organisations should have access to information relevant to environment and development held by national authorities, including information on products and activities that have or are likely to have a significant impact on the environment, and information on environmental protection measures (UNCED 1992, paragraph 23.2).

The above is further corroborated by the International Association for Public Participation, which states that **effective stakeholder engagement** allows **people** to be **involved in the decisions that affect them** and **has positive outcomes for governance, transparency and accountability**. Where stakeholders are engaged in decision-making, decisions are more likely to be sustainable from economic, social and environmental perspectives. Multi-stakeholder partnerships are a manifestation of high levels of engagement and catalyse the sharing and mobilisation of knowledge, expertise, resources and technology to support the fulfilment of the agenda at hand. Multi-stakeholder partnerships involve more than just collaborating and conducting ad hoc projects. They move beyond responsibility for independent results to a relationship that **involves co-creation, shared risks and responsibilities, interdependency** and the **potential to create the transformations needed to achieve set goals**.

Stakeholder engagement implies a willingness to listen; to discuss issues of interest to stakeholders of the organisation; and, critically, the organisation has to be prepared to consider changing what it aims to achieve and how it operates, as a result of stakeholder engagement (Jeffrey 2009). Stakeholder engagement is premised on the notion that those groups who can affect or are affected by the achievements of an organisation's purpose, should be given the opportunity to comment and give input into the development of decisions that affect them. Meaningful engagement thus occurs when an organisation is aware of the changes in the wider

society and how they relate to organisational performance, and then chooses to establish relations with stakeholders as a means to manage the impact of those changes. The process for engagement should be systematic, logical and practical and will take one from the starting point of planning and identifying objectives, through to post monitoring and evaluation. It is constant, where lessons from past experience will then shape future planning and engagement. It is an iterative process in which an organisation learns and improves its ability to perform meaningful stakeholder engagement while developing relationships of mutual respect, in place of one-off consultations (Jeffrey 2009).

According to Craxton et al. (2014), effective stakeholder engagement develops a “social licence” to operate and depends on mutual trust, respect and transparent communication between an organisation and its stakeholders. It thereby improves an organisation’s decision-making and performance through the following:

- **Cutting costs:** Effective engagement can help project proponents avoid costs, while its absence can be costly both in terms of money and reputation.
- **Managing risk:** Engagement helps project proponents and communities to identify, prevent and mitigate environmental and social impacts that can threaten project viability.
- **Enhancing reputation:** By publicly recognising human rights and committing to environmental protection, project proponents and financial institutions involved in financing the project can boost their credibility and minimise risks.
- **Avoiding conflict:** Understanding current and emerging issues such as tension around influx and employment opportunities.
- **Improving corporate policy:** Obtaining perceptions about a project, which can act as a catalyst for changes and improvements in corporate practices and policies.
- **Identifying, monitoring and reporting on impacts:** Understanding a project’s impact on stakeholders, evaluating and reporting back on mechanisms to address these impacts.
- **Managing stakeholder expectations:** Consultation also provides the opportunity for project proponents to become aware of and manage stakeholder attitudes and expectations.

### ***Core Values of Stakeholder Engagement***

Stakeholder engagement is usually informed by a set of principles defining core values underpinning interactions with stakeholders. The International Association for Public Participation (IAP2), for example, developed the core values for the practice of public participation, for use in developing and implementing public participation processes, to help better inform decisions that reflect the interests and concerns of potentially affected people and entities. Note that in this instance public participation and stakeholder engagement are used interchangeably. The core values are as follows:

- Public participation is based on the belief that those who are affected by a decision have a **right to be involved in the decision-making process**.
- Public participation includes the promise that the public’s contribution will **influence the decision**.
- Public participation **promotes sustainable decisions** by recognising and communicating the needs and interests of all participants, including decision-makers.
- Public participation seeks out and **facilitates the involvement** of those potentially affected by or interested in a decision.
- Public participation seeks **input from participants** in designing how they participate.
- Public participation **provides participants with the information** they need to participate in a meaningful way.
- Public participation communicates to participants **how their input affected** the decision.

## Stakeholder Engagement Considerations

Particular reference is being made to a stakeholder engagement planning and assessment tool that was developed by Economic and Social Commission for Asia and the Pacific (ESCAP) and IAP2 to respond to the need for practical indicators of meaningful engagement. The tool draws on professional practice and insights from diverse stakeholders and has been adapted and tested over a two-year period. The tool has identified the critical elements of meaningful stakeholder engagement, which are relevant more especially within the context of the N2 Wild Coast Biodiversity Offset Project. The dimensions of meaningful stakeholder engagement are identified in Figure 1 and discussed a little bit here.

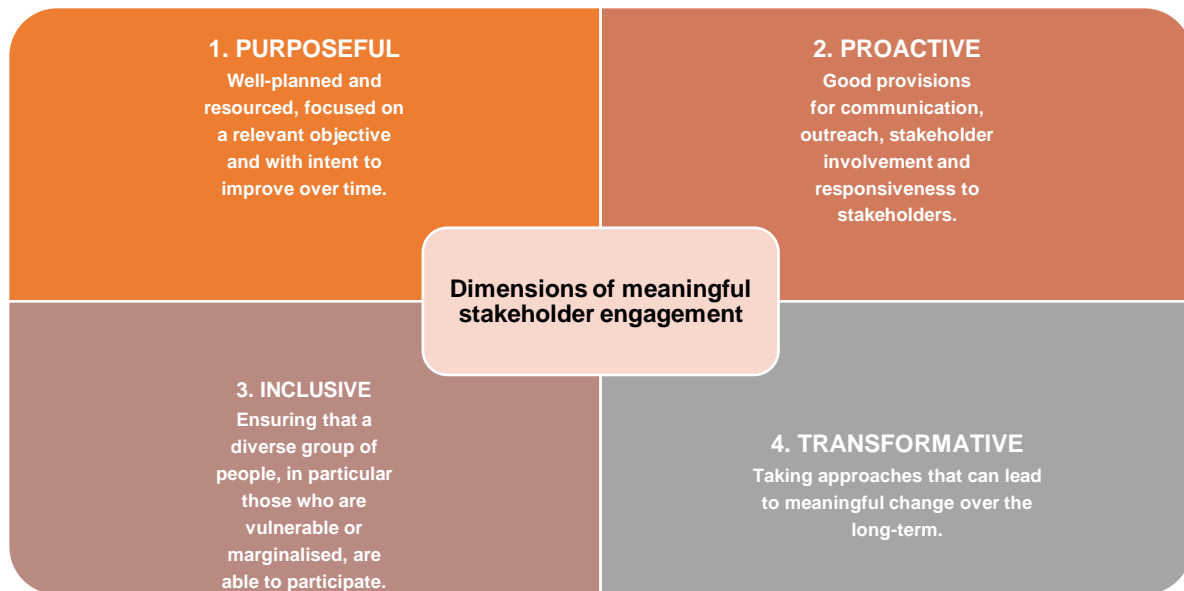


Figure 1. Dimensions of meaningful stakeholder engagement

The dimension of **Purposeful Engagement** seeks to ensure that there are, for example:

- clear stakeholder engagement objectives;
- a detailed stakeholder engagement plan that seeks to address the project complexities and risks as well as desired stakeholder influence;
- commitment to improvement, making use of past experiences to shape engagement strategies and methods;
- allocation of resources for engagement such as time, human, financial and other fit the objectives and timeline;
- clear roles and responsibilities are appropriately allocated and clearly defined; and
- there are provisions for engagement follow-through such that engagement outputs are given the level of consideration promised to stakeholders.

The dimension of **Proactive Engagement** identifies the following aspects as significant:

- Engagement scope, objectives and process are explained in a timely way and using accessible formats.
- Outreach for broader participation: Steps are taken to raise awareness, encourage and invite participation by stakeholders and the public.
- Stakeholders understand and are comfortable with the engagement process.



- Operational communication channels such as channels for two-way communication with stakeholders are established and publicised.
- Information dissemination: information provided about the process/project and the issues at hand enables meaningful participation.
- Ensuring responsiveness to stakeholders in such a manner that there is commitment to respond to stakeholders in a timely way; feedback is provided and commitments made are recorded and delivered on.

The dimension of **Inclusive Engagement** highlight the following:

- **Stakeholders and their contexts are analysed**, and the findings shape engagement strategy and choice of methods.
- **Promoting diversity of perspectives** in a manner that allows for equitable opportunities for sharing and considering diverse perspectives, including assenting and dissenting views, “grassroots” and scientific perspectives.
- **Reducing barriers to participation** by identifying and addressing any factors that prevent participation (e.g. language, literacy, accessibility, gender, technology, socio-cultural prejudice, age etc.).
- **Inclusion of vulnerable and marginalised groups** by identifying them and enabling their participation through appropriate engagement strategy and methods.
- **Ensuring appropriateness from cultural perspectives** by deploying an engagement process and methods that demonstrate cultural sensitivity and awareness of tradition.
- **Provision of safe spaces** by allowing methods, facilitation and the governance of organisations leading engagement to ensure safe space for the participation of all stakeholders

The **Transformative Engagement** dimension is equally important in the context of the Wild Coast N2 Biodiversity Offset Project, more so because the complexity of the project and scientific information that will be used as a basis and guide to implementation of some aspects of the Project. The following have to be taken into consideration:

- Ensure engagement strategies and methods **foster interaction** among stakeholders to build understanding.
- **Foster stakeholder capacity building** by deploying engagement strategies and methods that build the capacity of stakeholders to participate.
- **Integrate economic, social and environmental perspectives** by ensuring that the engagement strategy and methods enable the economic, social and environmental dimensions of the Project to be considered in an integrated way.
- Foster engagement strategies and methods that **recognise conflicting positions** and deal with these in constructive ways.
- Encourage the engagement process that **allows for questioning the status quo and developing innovative solutions**. Taking a long-term perspective, creating value for the community and the organisation. Engagement strategies support a long-term vision/perspective, strengthen relationships and secure mutual benefits for the lead organisation and the stakeholders/community.

This Stakeholder Engagement Implementation Plan will endeavour to consider as much as possible of these dimensions.

## PROGRESS ON STAKEHOLDER ENGAGEMENT FOR THE WILD COAST N2 BIODIVERSITY OFFSET PROJECT

There has been extensive stakeholder engagement efforts within this Project from its onset. The Public Participation and Stakeholder Analysis Report of July 2019 has been adopted by the ECPTA as part of the Project milestones and documents the amount of work done in this regard as well as past experiences of similar projects in the Wild Coast. While the SEP will not go into the details of the reports it is worth noting that the process resulted in considerable engagement with stakeholders and communities alike. This engagement resulted in the change to the site boundaries of the offset sites as originally anticipated. There are now 14 sites gathered into three loose geographic areas: The **Northern** Mkhambati-Ntentule Cluster, the **Central** Lambasi-Ntsubane Cluster, and the **Southern** Mount Thesiger-Caguba Cluster (see Figure 2).

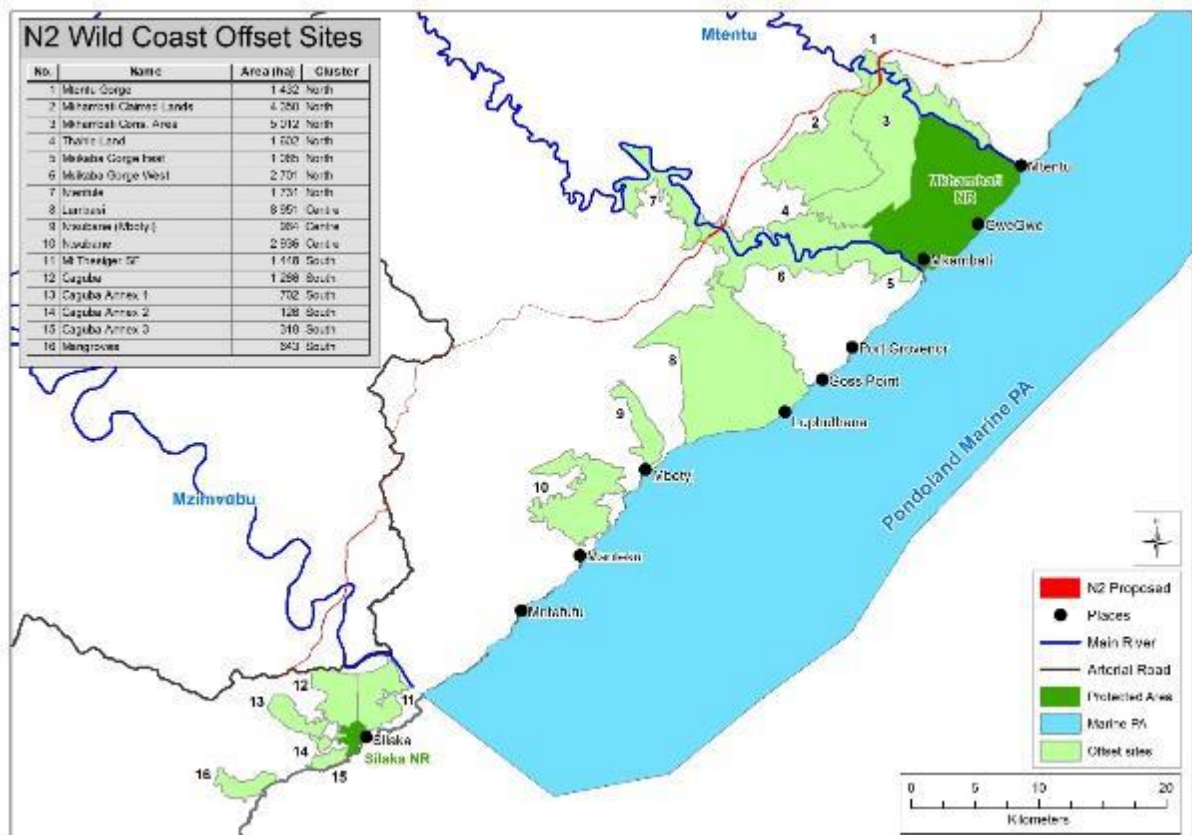


Figure 2. The final configuration of sites in the Project domain after community engagement

All this has been as a result of ongoing meetings with the communities in the offset sites as well as a Participatory Rural Appraisal that were used to gather information from local communities. A Participatory Rural Appraisal (PRA), house-to-house interviews using field questionnaires and telephonic interviews were specific techniques used to engage with members of local communities. The next step in the stakeholder engagement, therefore, is securing relevant legal agreements, necessary to formalise the agreements of the land parcels set aside for the Biodiversity Offset Project. Such agreements may take the form of Community Resolutions in the case of communities with informal land tenure rights or other applicable legal instruments.

### Stakeholder Mapping

Stakeholders across the landscape were identified stemming from the stakeholder engagement efforts and were the basis for stakeholder mapping. The stakeholder mapping process aims to identify which stakeholders need

to be engaged, in order to achieve the highest project impact. This process was already undertaken during the planning phase of the Project and thus the stakeholders’ selection was based on the Project objectives, the expected results and the impacts of the Project as well as the available resources to engage stakeholders. Stakeholder mapping was done as a collaborative process of research and discussion that draws from multiple perspectives, to determine a key list of stakeholders across the entire stakeholder spectrum. Mapping was done through identifying all potential stakeholders, assessing and prioritising stakeholders, and finally developing an understanding of the stakeholders. This was done with a view to establish what level of engagement is required for each stakeholder, the timing and role of the engagement, and ultimately which methods of engagement are to be adopted for each one.

The stakeholders were initially selected using the following methods:

- Brainstorming and consulting with Project partners and with other organisations that have been involved in similar activities.
- Self-selection by promoting the engagement process and encouraging individuals with an interest to come forward.
- Using ‘snowball sampling’ techniques, whereby one stakeholder identifies further stakeholders until no additional new stakeholders are identified.
- Utilising existing stakeholder lists and databases of the Project partners in order to identify other groups, networks and agencies.

The stakeholder mapping considered to be important during the current phase was done both at large-scale (macro-level) as well as fine-scale (micro-level). The macro-level stakeholders were deemed to have jurisdiction over the Project areas and are also undertaking some activities within the identified Project sites. At a closer look, these stakeholders are those ones that have jurisdiction in a wider area such as national, provincial departments with their relevant parastatals, royal houses, district and local municipalities as well as some non-governmental organisations. The micro-level stakeholders were identified on the basis of their localised activities they are implementing in various areas, within the Project area, and include traditional leadership councils and headmen, local government councillors and ward committees, land-owners including communal and private ones, specialised investors and non-governmental organisations, various interest groups and businesses and SMMEs. Table 1 below presents all the necessary details of the identified stakeholder groups, reasons to involve them and reasons why they might be willing to engage into the Project.

Table 1. Key stakeholders and their responsibilities in the N2 Wild Coast Biodiversity Offset Project area

Key Stakeholder	Role	Interest in the Project
Department of Environment, Forestry and Fisheries (DEFF)	Responsible for provisioning of legislative framework for protection of environment, biodiversity, forests and fisheries.	Management of state forests in the Project domain.
Eastern Cape Parks and Tourism Agency (ECPTA)	Manages provincial nature reserves and tourism development and promotion.	Management of provincial reserves and tourism in all sites. Also tasked with the implementation of the Wild Coast N2 Toll Road Biodiversity Offset Project.

South African Roads Agency SOC Limited (SANRAL)	Finances, improves, manages and maintains national road network of South Africa.	Responsible for financing of the construction of the N2 Wild Coast Road, environmental impact emanating from the Project and overseeing the Biodiversity Offset Project.
Department of Rural Development and Land Reform (DRDLR)	Responsible for land tenure reform and restitution.	Restitution of land rights and effective management of resettled land.
Department of Rural Development and Agrarian Reform (DRDAR)	Promotes and funds the development of rural development and food security.	Funding and supporting sustainable rural communities and food security.
Department of Economic Development, Environmental Affairs and Tourism (DEDEAT)	Promotes economic development, environmental management and tourism development.	Support and monitoring services on environmental management, economic development and tourism policy development. Key signatory in the Biodiversity Offset Project.
Eastern Cape Rural Development Agency (ECRDA)	Promoting rural development support.	Management of various agricultural initiatives including Magwa Tea Estate and Lambasi.
OR Tambo District Municipality	Responsible for development and basic needs delivery to communities in their jurisdiction and forward planning to ensure sustainability of such development.	Land-use planning and service provision to the area within Port St. Johns and Ingquza Local Municipalities. Has responsibility to administer the restitution funds on behalf of the Mkhambathi Community and tasked with formulation of a development plan for the reclaimed land in Mkhambathi area.
Local Municipalities: Mbizana, Ingquza Hill and Port St. Johns		Providing leadership and community support in the implementation of the Wild Coast N2 Biodiversity Offset Project.
Traditional Leadership  Qaukeni Royal Council and traditional leadership in affected areas	Administer and manage communal land and promote development in their respective areas of jurisdiction.	Traditional land rights and provision of leadership in the affected areas.

Nyandeni Royal Council and traditional leadership in affected areas		
South African National Defence Force (SANDF)	Owens part of the land, which forms an important parcel of a potential offset site, which has been given back to Caguba community during land claim.	Management of land within the Caguba Corridor and a key stakeholder in the Caguba Co-Management Agreement.
Eastern Cape Development Corporation (ECDC)	Provision of funding mechanisms to small businesses.	Funding mechanism and key stakeholder in the Caguba Co-Management Agreement.
Land-owners (communal and private)  Caguba Communal Property Association, Mkambati Land Trust and the seven Communal Property Associations plus claimants.	Decision-making in the development of their land and deciding on nature of projects to be implemented within their jurisdiction.	Making land for the Biodiversity Offset Project available and agreeing on chosen offsets boundaries and offsets for their respective areas.
Department of Cooperative Governance and Traditional Affairs (COGTA)	Promotes a developmental local state and traditional institutions that are accountable, focused on citizen's priorities, and capable of delivering high quality services consistently and sustainably through local government and participatory democracy.	Providing legislative and institutional guidance and constitutional imperatives on cooperative governance.
Commission on Restitution of Land Rights	Handling of land claims, their validation and post settlement procedures in the area.	Responsible for restitution and post restitution assistance to land claimants in mainly Mkhambathi and Caguba, Port St. Johns.
<b>Key Stakeholder</b>	<b>Role</b>	<b>Interest in the Project</b>
South African National Biodiversity Institute (SANBI)	Contributes to South Africa's sustainable development by facilitating access to biodiversity data, generating information and knowledge, building capacity, providing policy advice, showcasing and conserving biodiversity.	Providing guidance on the implementation of biodiversity offsets and achievement necessary biodiversity conservation targets.

Local Communities	Utilise land and resources and are also land owners within the Project domain.	They will identify and agree on offset ideas and projects and their livelihoods are dependent on the land and natural resources in the area. Some are likely to gain employment opportunities on the offset projects, while some will get business opportunities emanating from offset activities.
Natural Resource Users (firewood collectors, traditional healers, livestock grazers, thatch grass collectors, timber for building and fencing, crafters)	Utilise land and resources and also generate income from natural resources.	They have use rights to a number of resources and some are dependent on the resources for their livelihoods.
Civic Society such as Community-based organisations, Non-Governmental Organisations and others): South African Faith Communities' Environment Institute (SAFCEI), WESSA, South African Association for Marine Biological Research, Sustain the Wild Coast, CSA, WWF-SA, Wildlands Trust)	Implementing various programmes within the project area.	They have the ability to mobilise on a local scale and are implementing various programmes, to the benefit of the environment or the local communities.
Wild Coast Cottage Owners' and the Wild Coast Hotel Owners' associations including independent accommodation establishments	Land owners and holiday home owners in the Wild Coast.	Tourism development and operations.
Local businesses and SMMEs of various sectors including independent individuals such as tour guides, village-based accommodation owners as well as business associations	Conducting their businesses in various sectors and representing their interests.	Some of these are conducting businesses within the project area and will continue to do so and others may anticipate to receive some form of business opportunities emanating from the implementation of the Biodiversity Offset Project.
Development agencies (ECD, DBSA)	Provision of financing for various initiatives within the Project domain.	Financing provisions may provide co-financing to make

		better realisation of biodiversity offset benefits.
SAPPI	Forestry development investment and operational opportunities.	Private company that has entered into an investment agreement with the community with a view to plant and harvest timber on the portion of the TRACOR land.
Mkambati Matters	Tourism investment and operational opportunities.	Private company that has entered into a concession agreement with Mkambati Trust and the ECPTA, with a view to develop and manage tourism accommodation in the reserve. The concession agreement also makes provision for the expansion of the reserve to include TRACOR land.
WCBOP Project Steering Committee	High-level stakeholders that serve as a coordinating committee.	Serve as an information sharing platform as it pertains to the Biodiversity Offset Project. The key players on the PSC are the ECPTA, relevant government departments such as DAFF, DRDLR, DEDEAT, DEA, SANRAL, SANBI, CSA, local municipalities (Port St. Johns, Ingquza Hill and Mbizana) and Royal Houses.
<b>Key Stakeholder</b>	<b>Role</b>	<b>Interest in the Project</b>
Stakeholders Forum	Open platform that allows stakeholders such as NGOs, state organs, local organisations and business people mainly that have their own plans and programmes that they implement within the identified offset sites and in close proximity.	Providing constant feedback to the interested parties, to get them involved in the progress and development and implementation of the N2 Biodiversity Offset Project.
Community Conservation Committees	Act as a liaison between the community and the ECPTA.	Ensure that the local communities within the Biodiversity Offset Project sites have their own coordinating body. They are constituted by various stakeholder groupings within the community which include women, youth, traditional leadership, elected

		leadership, various community trusts and interest groups.
Media (Daily Dispatch, Kleva Nkeva, Pondo News)	Provide unbiased opinion and commentary about issues affecting society.	May offer assistance in updating the public about the progress of the Project and its spin-offs.
Research Institutions and academia	Undertaking research studies in various subject matters with sites within the Project domain.	Doing field work and writing up some research papers on various aspects that may relate to the project.

The second stage of the stakeholder mapping process includes the assessment and analysis of stakeholders in order to prioritise them in relation to the necessity for their engagement.

### Stakeholder Analysis

When turning to society to select stakeholders for analysis or engagement, practitioners must navigate through the complexities of society to identify which social structures (e.g. individual people, social categories and constituencies, informal or formal groups, organisations) are emphasised or backgrounded in the search for those who are awarded stakeholder status. A strategic definition of stakeholder captures only those stakeholders whose engagement can be viewed as a pragmatic requirement for successful outcomes (Miles 2015:13–14), instead of including any and all people who have some degree of interest (including moral interests) in an issue.

Who counts as a stakeholder in analysis and engagement becomes not just a question of who has a stake, but who has a stake as recognised by those responsible for the stakeholder identification process. Generally, everyone may theoretically be a stakeholder in a given issue, it is only those who are recognised through the processes of stakeholder identification who are afforded stakeholder status. Those who are afforded stakeholder status tend to be viewed as groups with a collective interest, and are considered distinct from the citizenry which are seen as representing the public good (Colvin et al. 2015).

Stakeholder analysis then assists in identifying and analysing stakeholders and their roles in the Project. Analysing stakeholders is crucial to the success of the Project and Table 2 shows a systematic way used to analyse stakeholders by their influence and interest. **High influence and high interest** stakeholders are **Key Players**. **Low power and low interest** stakeholders are **least important**. Table 1 above shows stakeholders that deemed relevant to the project, based on earlier consultation on the Project and previous project databases. Table 2 below is an assessment of the stakeholders in accordance with the level of perceived influence and interest on the Project. The Community Toolbox summarises that stakeholders are generally said to have an interest in an effort based on whether they can affect or be affected by it. The more they stand to benefit or lose by it, the stronger their interest is likely to be. The more heavily involved they are in the effort, the stronger their interest as well.



Table 2. Assessment of influence and interest of stakeholders on and in the Project

		Interest	
		Low	High
Influence	High	<ul style="list-style-type: none"> <li>• <b>Civic Society</b> (WESSA, WWF-SA, South African Faith Communities' Environment` Institute (SAFCEI); South African Association for Marine Biological Research, Sustain the Wild Coast</li> <li>• Media</li> <li>• WCBOP Steering Committee</li> <li>• SANBI</li> </ul>	<ul style="list-style-type: none"> <li>• Port St. Johns Local Municipality</li> <li>• Mbizana Local Municipality</li> <li>• Ingquza Hill Local Municipality</li> <li>• Land Owners (communal &amp; private)</li> <li>• SANRAL</li> <li>• ECPTA</li> <li>• Royal Houses and traditional leadership</li> <li>• DRDLR</li> <li>• WCBOP Community Conservation Committees</li> <li>• DEFF</li> <li>• DEDEAT</li> <li>• SANDF (in the Caguba corridor)</li> <li>• Communities within the offset sites and in close proximity</li> <li>• Natural Resource Users</li> <li>• Wild Coast Cottage Owners and Wild Coast Hotel Owners Associations including owners of independent accommodation establishments</li> </ul>
	Low	<ul style="list-style-type: none"> <li>• ECRDA</li> <li>• ECDC</li> <li>• DBSA</li> <li>• Ntinga OR Tambo Development Agency</li> <li>• Alfred Nzo District Municipality</li> <li>• COGTA</li> </ul>	<ul style="list-style-type: none"> <li>• WCBOP Stakeholders Forum</li> <li>• OR Tambo District Municipality</li> <li>• DRDAR</li> <li>• Research Institutions and academia</li> <li>• Private Investors: SAPPI and Mkambati Matters</li> <li>• Commission on Restitution of Land Rights</li> <li>• Local businesses and SMMEs</li> </ul>
		Low	High
<b>Interest</b>			

Effectively the above analysis stems from the perceived role of each stakeholder on the Project, their proximity to the Project area and their jurisdiction over certain aspects of the Project. For example, stakeholders who are tasked with managing some aspect of the natural resources such as land, indigenous forests or biodiversity are deemed to have high influence in the Project. So the two Royal Houses namely Ndimakude and Nyandeni Royal Houses that have jurisdiction over the area, together with the traditional leaders under them within offset sites, are considered as having high influence, as they are responsible for managing the land in the areas on behalf of the communities. Likewise, the private land owners, Mkhambathi Land Trust, Caguba Communal Property Association as well as government institutions such as DEFF, DEDEAT, ECPTA, DRDLR and SANDF.

Over and above these stakeholders are those who have direct use rights to the natural resources in the proximity of the offsite areas namely community members who may use natural resources for fuel, thatch, building materials, subsistence agriculture, traditional medicines and the like. These stakeholders are most likely the ones who will make or break the success of biodiversity offset activities depending on whether they feel that these activities are favourable to or oppressive of their needs. This is without a doubt examples of stakeholders

who need to be involved in decision-making pertaining to the determination of offset activities and their implementation as both their interest and influence on the Project is considered high.

### **Levels of Stakeholder Engagement**

By following the approach above of assessing stakeholders in terms of their influence on and interest in the Project, it is possible to better tailor the appropriate levels of stakeholder engagement and type of engagement activities to the different stakeholder groups. Table 3 presents the levels of engagement. At the lowest end of engagement is **inform**. At this level, a platform provides information to assist public understanding of a complex issue. The next level is **consult**. At this level, a platform obtains feedback from participants on proposed Project decisions. The third level is **involve**. At this level, a platform actively collects stakeholder feedback for the express purpose of ensuring that stakeholder concerns are considered by project proponents and implementers. The fourth level is **collaborate**. At this level, a platform facilitates direct communication between project proponents and the stakeholders. The highest level in the spectrum is **empower**, whereby decisions offered by participants through a platform are implemented in practice.

**INCREASING IMPACT ON THE DECISION**

Table 3. Stakeholder Engagement Spectrum as adapted from IAP2 Federation

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
STAKEHOLDER ENGAGEMENT GOAL	To provide the stakeholders with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain stakeholder feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that stakeholders concerns and aspirations are consistently understood and considered.	To partner with the stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solutions.	To place final decision-making in the hands of the stakeholders.
PROMISES TO THE STAKEHOLDERS	We will keep you informed.	We will keep you informed, listened to and acknowledge concerns and aspirations, and provide feedback on how stakeholders input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how stakeholder input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

In general, engagement is directly proportional to influence and interest, and as the extent of impact of a project on a stakeholder group increases, or the extent of influence of a particular stakeholder on a project increases, engagement with that particular stakeholder group should intensify and deepen in terms of the frequency and the intensity of the engagement method used.

The WCNBOP has already undertaken comprehensive stakeholder engagement, which covered most of the Project planning domain (see Figure 3). The extent of the work that has been carried out thus far follows this spectrum. While the main focus has been on the first two aspects of the spectrum namely inform and consult, a lot of ground has been covered and has seen a shift to empower. This has consequently influenced the changes of the boundaries of the offset sites from the original ones as conceptualised. All this change has taken place due to the amount of influence and interest that the communities had in the Project and its success. So this is a typical example of how the stakeholder engagement spectrum and the stakeholder assessment of interest and influence work.

The Implementation Plan will focus on all aspects of the stakeholder engagement spectrum, with a view to place the final decision-making in the hands of the stakeholders, where necessary.

Table 4. Influence and interest of stakeholders on the Project against the stakeholder engagement spectrum

		INTEREST	
		LOW	HIGH
INFLUENCE	HIGH	<p><b>INVOLVE</b></p> <p>To work directly with the public throughout the process to ensure that stakeholders concerns and aspirations are consistently understood and considered.</p>	<p><b>COLLABORATE/EMPOWER</b></p> <p>To partner with the stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solutions.</p> <p><b>In some instances</b> to place final decision-making in the hands of the stakeholders.</p>
	LOW	<p><b>INFORM</b></p> <p>To provide the stakeholders with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.</p>	<p><b>CONSULT</b></p> <p>To obtain stakeholder feedback on analysis, alternatives and/or decisions.</p>

### Stakeholder Engagement Approach

This Stakeholder Engagement Plan has taken care of key considerations as mentioned earlier in this document. The engagement has to be purposeful, proactive, inclusive and transformative. The complexities of the Project itself need to be addressed and the necessary efforts made to allocate resources to respond to such. The Plan has to ensure that it considers, among others, the following aspects:

- the cultural and socio-economic dynamics
- low literacy levels
- sensitivity to high dependency on natural resources
- past experiences emanating from unsuccessful implementation of previous projects
- consultation fatigue
- complexity of biodiversity offset and related programmes such as biodiversity and land rehabilitation, fire management regimes, invasive alien plant control, investor mobilisation for tourism and conservation of natural resources
- the use of scientific and indigenous knowledge
- two-way communication with stakeholders
- stakeholder capacity building

A myriad of engagement techniques is proposed for this purpose and addresses a number of these aspects as outlined in the section below. The stakeholder engagement in this Project will provide a number of opportunities to emphasise the following:

1. **To inform stakeholders by providing** them with balanced and **objective information** to assist them in understanding the problem, alternatives, opportunities and/or solutions. Provide complete background information stakeholders need to draw fair and reasonable conclusions. This will be done in clear language, which is not seen as condescending and takes into account the literacy levels of the area and the resources in the area. Thus, the simplicity and clarity of the information to stakeholders is important and any scientific information will be codified and simplified for ease of understanding. This

information will be relayed in a language that is understood locally and contains no jargon to avoid creating any confusion and miscommunication thereof. So public meetings, workshops and various forms of media will be used for the purposes of informing stakeholders.

2. **To build the capacity of stakeholders through consulting and involving** stakeholders by obtaining stakeholder feedback on analysis, alternatives and/or decisions. The Project will work directly with the public throughout the process to ensure that stakeholder concerns and aspirations are consistently understood and considered. The stakeholder engagement team will make an effort to listen and acknowledge to various stakeholders and provide feedback on how their input has influenced the decisions made, as they relate to the Project and ensure that there is follow through on issues raised. The relevant stakeholder engagement techniques will be deployed to achieve this. Such techniques include one-on-one meetings, briefings, focus group meetings, interviews, workshops, public meetings, formal meetings and where possible electronic media. Feedback mechanisms with stakeholders will be used and ensuring that the issues being discussed are understood at the same level.
3. **To build lasting relationships and partnerships with stakeholders** through efforts that build trust and partner with the stakeholders in each aspect of the decision including the development of alternatives and the identification of the preferred solutions. The stakeholder engagement team will have to be realistic in negotiations with possible trade-off of expectations, needs and objectives. This will help achieve agreement and build trust. The ultimate goal is to place final decision-making in the hands of the stakeholders. The necessary engagement techniques, that seek to create a level playing field for all stakeholders and ensuring fairness, transparency, principled engagement and accountability will be used.
4. **To ensure successful implementation of engagement outputs** through realistic allocation of resources, constant effort and feedback and ongoing monitoring of outputs. So the implementation plans of various Project outcomes will be clearly communicated to stakeholders and roles and responsibilities will be clarified prior to the implementation.

### **Stakeholder Engagement Techniques**

The stakeholder techniques, their description as well as their context and purposes are presented in Table 5 below. This gives an idea of when each technique will be used. Relevant tools will be used to ascertain the effectiveness of the tools presented. For example, while workshops are relevant for small and large groups, the target audience for the workshops may vary depending on the subject matter.

All engagement should proceed on the basis of what are culturally acceptable and appropriate methods for each of the different stakeholder groups. For example, when consulting government officials formal presentations are the preferred consultation method, while communities prefer public meetings, and informal focus group discussions facilitated by posters, non-technical pamphlets and other visual presentation aids including models, videos and sometimes tours.

There are a variety of engagement techniques used to build relationships with stakeholders, gather information from stakeholders, consult with stakeholders, and disseminate Project information to stakeholders. When selecting an appropriate consultation technique, culturally appropriate consultation methods as well as the purpose for engaging with a stakeholder group should be considered.

Table 5. Stakeholder Engagement Techniques to be used as Adapted from IAP2 Australasia's Method Matrix

ENGAGEMENT TECHNIQUE	MOST APPROPRIATE APPLICATION OF TECHNIQUE	SCALE				CONTEXT						PURPOSE									
		INDIVIDUAL	SMALL GROUP	LARGE GROUP	PUBLIC	LOW TRUST	LOW INTEREST	HIGH	TIGHT	LONG-TERM	HIGH EMOTION	INFORM	UNDERSTAND	GENERATE	RELATIONSHIP	SOCIAL	IDENTIFY	DECISION	COMMUNITY	GENERATE	BEHAVIOUR
Correspondence by phone/email/text	<ul style="list-style-type: none"> <li>Distribute project information to government officials, organisations, agencies and companies</li> <li>Invite stakeholders to meetings</li> </ul>			x			x	x	x	x		x	x	x	x			x	x	x	
Print media and radio announcements	<ul style="list-style-type: none"> <li>Disseminate project information to large audiences, and illiterate stakeholders</li> <li>Inform stakeholders about consultation meetings</li> </ul>				x	x	x	x	x		x	x	x	x				x	x		
One-on-one interviews	<ul style="list-style-type: none"> <li>Solicit views and opinions</li> <li>Enable stakeholders to speak freely and confidentially about controversial and sensitive issues</li> <li>Build personal relations with stakeholders</li> <li>Recording of interviews</li> </ul>	x				x			x	x	x	x	x	x	x	x					

<p><b>Public meetings</b></p>	<ul style="list-style-type: none"> <li>• Present project information to a large audience of stakeholders, and in particular communities</li> <li>• Allow the group of stakeholders to provide their views and opinions</li> <li>• Build relationships with neighbouring communities</li> <li>• Distribute non-technical project information</li> <li>• Facilitate meetings using PowerPoint presentations, posters, models, videos and pamphlets or project information documents</li> <li>• Record discussions, comments/questions raised and responses</li> </ul>	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
<p><b>Formal meetings</b></p>	<ul style="list-style-type: none"> <li>• Present project information to a group of stakeholders</li> <li>• Allow the group of stakeholders to provide their views and opinions</li> <li>• Build impersonal relations with high level stakeholders</li> <li>• Distribute technical documents</li> <li>• Facilitate meetings using PowerPoint presentations</li> <li>• Record discussions, comments/questions raised and responses</li> </ul>	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
<p><b>Workshops</b></p>	<ul style="list-style-type: none"> <li>• Present project information to a group of stakeholders</li> <li>• Allow the group of stakeholders to provide their views and opinions</li> <li>• Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies</li> <li>• Recording of responses</li> </ul>	x	x							x	x	x	x		x		x	x		

<p><b>Focus group meetings</b></p>	<ul style="list-style-type: none"> <li>• Allow a smaller group of between 8 and 15 people to provide their views and opinions of targeted baseline information</li> <li>• Discussion hosted by a facilitator</li> <li>• Designed to allow an open discussion that is guided by a series of questions, which may follow the flow of participants' discussions</li> <li>• Build relationships with neighbouring communities</li> <li>• Use a focus group interview guideline to facilitate discussions</li> <li>• Record responses</li> </ul>	x	x	x				x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
<p><b>Surveys</b></p>	<ul style="list-style-type: none"> <li>• Gather opinions and views from individual stakeholders</li> <li>• Gather baseline data</li> <li>• Record data</li> <li>• Develop a baseline database for monitoring impacts</li> </ul>	x	x	x	x					x				x	x			x							x	
<p><b>Briefings</b></p>	<ul style="list-style-type: none"> <li>• Presentations and discussions with community or stakeholder groups</li> <li>• Can vary widely from informing to gathering feedback, ideas or options</li> </ul>	x	x					x	x	x		x	x	x	x			x								
<p><b>Community Education Programme</b></p>	<ul style="list-style-type: none"> <li>• A programme to educate the community about a topic, project or proposition</li> <li>• Education campaigns can be designed to raise awareness, generate understanding or support behaviour change</li> </ul>		x	x				x				x	x	x	x										x	
<p><b>Community Reference/Advisory/Liaison Groups</b></p>	<ul style="list-style-type: none"> <li>• Structured group of community or stakeholder representatives meet regularly</li> <li>• Operate under a Terms of Reference</li> <li>• Can vary from members providing their own feedback, ideas, to members acting as a conduit between the broader community and organisation</li> </ul>	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x



<p><b>Tours</b></p>	<ul style="list-style-type: none"> <li>Community and stakeholders are invited to tour a site to gain a deeper understanding or to gain first-hand experience</li> <li>Can be designed to foster relationships, raise awareness, increase awareness, educate, gain new insights or to change perspectives</li> </ul>	x	x		x	x					x		x		x			x	x	
<p><b>Media stories</b></p>	<ul style="list-style-type: none"> <li>Media releases, pitches or briefings provided to journalists to publish free editorial on engagement projects or issues</li> <li>To reach broader audience and engage the public</li> <li>Media can be print, broadcast or online</li> </ul>			x	x		x		x	x	x					x			x	

## Process to be followed to reach agreements with key stakeholders

It is the intention of the Project that stakeholder engagement remains the core activity in the Project timeline for Project inception, implementation and review. It is certainly one aspect of the Project that cannot have a set timeframe and is critical to the success of the Project. As such it has to be flexible and dynamic due to the communication needs and priorities that will change throughout the lifecycle of the Project. The flowchart below is an illustration of the various Project outputs that necessitate stakeholder engagement from Project inception to handover. It is a clear demonstration that throughout the Project timeframe there is a need for concerted effort and ongoing stakeholder engagement, through communication and dissemination of information to stakeholders. Each output culminates in some form of feedback from the project team to the stakeholders and *vice versa*. As such there needs to be clarity on what needs to be communicated (message) and the outcome (output), the target audience, and mechanism with which the message will be transferred to the stakeholder (communication channels) as well as the feedback mechanism to ensure that the message has been communicated clearly. Therefore, this Stakeholder Engagement Implementation Plan will need to be accompanied by a clear communication plan and strategy, which is supported by the ECPTA as the project implementing agent.

During the project implementation, the purpose, the audience, the message and tools may change, but the need to maintain relationship with key stakeholders and stakeholder groups will remain.

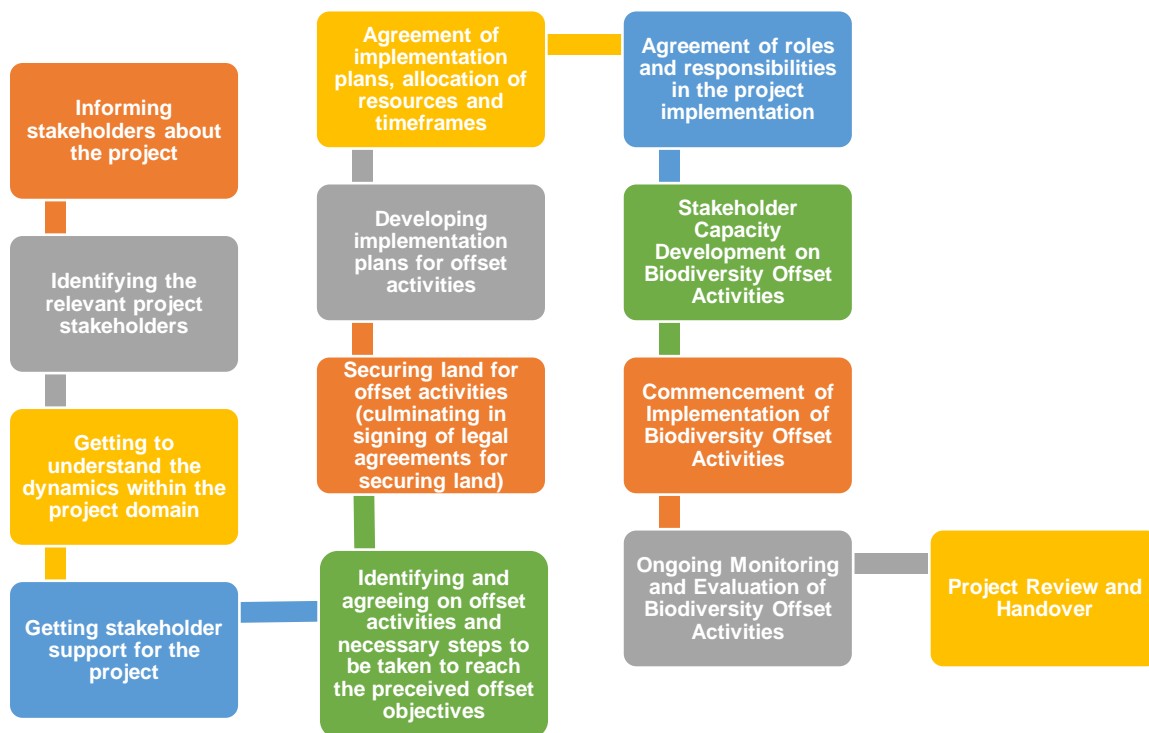


Figure 3. Flowchart showing project outputs that require stakeholder engagement

## **INSTITUTIONAL ARRANGEMENTS FOR PUBLIC PARTICIPATION**

The Wild Coast N2 Road Biodiversity Offset Project has set a number of institutional arrangements set for the purposes of informing various stakeholders about the Project and the achieved project progress. These arrangements could easily be used as vehicles for monitoring the Project and evaluating its progress. They are the Project Steering Committee (PSC), The Stakeholders' Forum as well as the Community Conservation Committees at Project site level. Brief information about these institutional arrangements is provided below.

### **Project Steering Committee (PSC)**

The PSC is comprised of the high-level stakeholders as defined on the stakeholder analysis earlier in this document. It serves as a coordinating committee as well as information sharing platform as it pertains to the Biodiversity Offset Project. The key players on the PSC are ECPTA, relevant government departments such as DAFF, DRDLR, DEDEAT, DEA, SANRAL, SANBI, CSA, local municipalities (Port St. Johns, Ingquza Hill and Mbizana) and Royal Houses. The PSC has held three meetings to date and meets on a quarterly basis. The Terms of Reference of the PSC is attached in Annexure 3 of this report.

### **The Stakeholders Forum**

The stakeholders' forum is another institutional arrangement set for the sole purpose of providing constant feedback to the interested parties, to get them involved in the progress and development and implementation of the Biodiversity Offset Project. It is an open platform that allows stakeholders such as NGOs, state organs, local organisations and business people mainly that have their own plans and programmes that they implement within the identified offset sites and in close proximity. Such stakeholders include DEDEAT, DAFF, Local Municipalities, DRDLR, DRDAR, SAPPI, WWF-SA, CSA as well as traditional leadership. The Terms of Reference of the stakeholders' forum is attached in Annexure 3 of this report.

### **The Community Conservation Committees**

This institutional arrangement is to ensure that the local communities within which the Biodiversity Offset Project exist have their own coordinating body, which acts as a liaison between the community and the ECPTA. It is constituted by various stakeholder groupings within the community which include women, youth, traditional leadership, elected leadership, various community trusts and interest groups. These committees are decided by the communities themselves with the guideline from the ECPTA. The Terms of Reference of this committee is also attached in Annexure 3 of this report.

### **Identification of interested commercial agencies and opportunities to leverage support**

The Wild Coast has a significant subsistence and informal economy. Government services and public works programmes generate more than 50% of jobs in the formal sector. Most of the land on the Wild Coast is owned by the state and held in Trust for the local people. Much of this land is currently occupied by local communities as communal land, managed by both tribal authorities and local government. The remaining state land is managed by the state for demarcated forests, plantations, agriculture or military purposes. There are a number

of freehold properties along the coastal area, primarily those used for large tourism developments. A number of legal cottages, tourism businesses and hotels are scattered along the extent of the coastline of the Wild Coast.

The communal land is either residential, crop fields or grazing lands plus areas that the community uses for other natural resource use or spiritual purposes. Within a community, the boundaries of these different land use areas are often well defined and the usage of a homestead is governed by complex traditional regulations. The state has currently assumed nominal jurisdiction over tribal lands until new legislation is effected.

Tourism is a key economic sector in the region with tourism enterprises primarily centred on the coastal region of the Wild Coast. There is considerable scope for the growth of tourism. Tourism opportunities in the Wild Coast are vast, some of which may not necessarily be linked with the Biodiversity Offset Project. The Wild Coast N2 Biodiversity Offset Project Situational Analysis Report as developed by Sigwela and Associates highlighted some of the potential tourism sites along the Project domain. There are other key underdeveloped economic opportunities in the Wild Coast which include small-scale irrigation, dairy production, afforestation, fisheries, food processing, wool production, small-scale leather goods, and nature-based tourism. It has always been the intention of the Eastern Cape Government to realize these opportunities through the vehicle of Community Private Partnerships (CPP). One of the mechanisms that can enable this sustenance is to forge Public-Private Partnerships (PPPs).

Community private partnerships (CPPs) are established between communities that acquire access to land under the land reform programme and private parties. Typically the communities bring their land and labour and the private partner brings capital and skills to the partnership. CPPs differ from management agreements in so far as the partners share the risks and the rewards. A PPP is a contract of co-working between a public sector institution/municipality and a private party where the private party assumes substantial financial, technical and operational risk in the design, financing, building and operation of a project. There are predominantly two types of PPPs and may also be a hybrid of the two as follows:

- Where the private party performs an institutional/ municipal function
- Where the private party acquires the use of state/municipal property for its own commercial purposes

It is necessary to carry out site specific research and analysis in order to **identify and package the underdeveloped economic opportunities** for each of the five sites that have been identified for biodiversity offset purposes. Such an investigation would not only highlight the opportunities that can be developed as **key economic drivers** in these areas, but also **identify linkages within different economic sectors**. Such linkages would minimise overdependence on one sector and grow the economy holistically. Once the potential economic opportunities are identified, feasibility studies for such would be carried out. The **feasibility studies** would be able to point out the strengths and weaknesses, together with opportunities and threats of such potential economic development prospects. In addition to this a **cost–benefit analysis, profitability and sustainability** of such prospects would be determined. These studies would then culminate in the development of business cases and **economic prospectus** for each area. The economic prospectus for each area would then be used for the purpose of **inviting potential sectoral investors** to the areas.

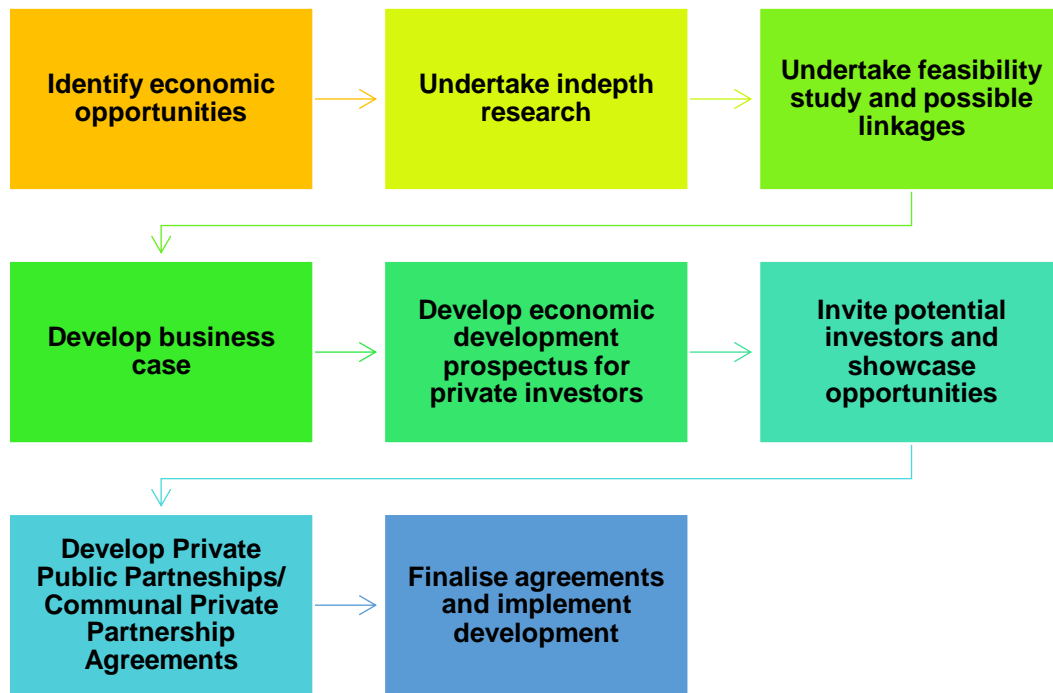


Figure 4. Exploring economic development opportunities in communal land

### Possible interventions for community readiness for commercial investment in their land

As mentioned in the section above, most of the land on the Wild Coast is owned by the state and held in Trust for the local people. Much of this land currently occupied by local communities as communal land, managed by both tribal authority and local government. So development of commercial enterprises in communal land becomes quite intricate and investors easily get discouraged by the protracted negotiations that often yield losses as investments are not finalised. Parallel interventions are being proposed here, meaning that while the site assessments for economic development opportunities are being explored, a process is underway to ensure the following:

- That host communities are institutionally ready and relevant.
- That communities are ready for investment opportunities.

This would include the identification of the most effective legal mechanism available for community members to register legal entities, to conduct business on their behalf. Such measures should not only look at the legal entity but also a benefit-sharing scheme that could be used to disburse gains from commercial investments and opportunities.

In the same breath, the capacity building of communities would need to be carried out, with a view to make them understand the acceptable practices of conducting business and going into business agreements. Such capacity-building would look into their ability to act as equal business partners in commercial ventures through skills development in, among others, the following:

- Understanding legal agreements
- Practical business agreements
- Understanding business management
- Understanding Community Private Partnerships and necessary agreements
- Business etiquette
- Assigning roles and responsibilities
- Accountability

With respect to land ownership and allocation of use rights within communal land, the Interim Protection of Informal Land Rights Act (IPILRA), 1996 (Act No. 31 of 1996) makes provision for the temporary protection of certain rights to and interests in land which are not otherwise adequately protected by law; and to provide for matters connected therewith. Section 2(4) of IPILRA provides that the custom and usage of a community shall be deemed to include the principle that a decision to dispose of any such right may only be taken by a majority of the holders of such rights present or represented at a meeting convened for the purpose of considering such disposal and of which they have been given sufficient notice, and in which they have had a reasonable opportunity to participate. The standard practice emanating from this has been the development of a Community Resolution, which is used as a legal basis allowing land use for a particular activity within the community. Upgrading of Land Tenure Rights Amendment Act, 1996 (No. 34 of 1996) states that **community resolution means** any decision taken by a majority of the members of the community over the age of 18 years present or represented at a meeting convened for the purpose of considering the disposal of a right in land lawfully occupied by or allocated for the use of such community, of which they have been given sufficient notice, and in which they had a reasonable opportunity to participate.

So in the absence of secure tenure, which helps to expedite land use for commercial purposes, the community resolution is the next best legal vehicle available to communities. The community resolution is signed in the presence of various state department representatives including the Department of Rural Development and Land Reform. This resolution is a product of considerable community engagement and agreement to set the designated land for development purposes. So it is important that this aspect is part of the community institutional readiness for development of land with commercial prospects.

## REFERENCES

- UNCED. 1992. Agenda 21, United Nations Conference on Environment & Development, Rio de Janeiro, Brazil, 3 to 14 June: paragraph 23:2.
- Business and Biodiversity Offsets Programme (BBOP). 2009. Biodiversity Offsets and Stakeholder Participation: A BBOP Resource Paper. Washington, D.C.: BBOP.
- Colvin, R.M., Bradd Witt, G. & Lacey, J. 2015. Approaches to identifying stakeholders in environmental management: Insights from practitioners to go beyond the 'usual suspects'. *Land use policy*, 52:266–276.
- Craxton, C., Blacklock, K. & Ivanor, I.T. 2014. Stakeholder Engagement Plan Krumovgrad Gold Project, Bulgaria. Toronto: Dundee Precious Metals.
- Jeffrey, N. 2009. Stakeholder Engagement: A Road Map to Meaningful Engagement. #2 in the Doughty Centre 'How to do Corporate Responsibility' Series. Bedfordshire: Doughty Centre, Cranfield School of Management.
- Sustainable Development Goals Helpdesk. n.d. Stakeholder engagement and partnerships. Available at: <http://sdghelpdesk.unescap.org/knowledge-hub/thematic-area/stakeholder-engagement-and-partnerships> (accessed on 13 March 2020).
- Stakeholdermap.com. n.d. Stakeholder definition. Available at: <https://www.stakeholdermap.com/stakeholder-definition.html> (accessed on 13 March 2020).
- Young, J.C., Jordan, A., Searle, K.R., Butler, A., Chapman, D.S., Simmons, P. & Watt, A.D. 2013. Does stakeholder involvement really benefit biodiversity conservation? *Biological Conservation*, 158: 359–370.