Western Cape Government

# Project Infrastructure Planning

## 1. Project Details

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| **Project Name** | Provincial Public-sector Strategic Offset Bank |
| **Location** | Across the Western Cape |
| **Sector** | Ecological |
| **Department** | Department of Environmental Affairs and Development Planning |
| **Project Owner** | Herman Jonker |
| **Project Manager** | Herman Jonker |

### 1.1 Background & Justification

#### Background

- Current biodiversity offset practices in South Africa are **fragmented and reactive**, often resulting in:
    - Small, scattered conservation areas.
    - High management costs.
    - Limited ecological impact.
- Public infrastructure projects face **delays and increased costs** due to ad-hoc offsetting requirements.
- The Western Cape is part of the **Cape Floristic Region**, a globally significant biodiversity hotspot, making proactive conservation critical.
- National and provincial policies (e.g., **National Environmental Management Act**, **National Biodiversity Offset Guideline 2023**) encourage innovative offsetting mechanisms.

#### Justification

- **Regulatory Compliance:** Biodiversity offsets are a legal requirement under **NEMA** and **EIA Regulations** for developments impacting ecosystems.
- **Cost Efficiency:** Consolidating offsets into **large, strategically located sites** reduces per-hectare costs and improves conservation outcomes.
- **Risk Reduction:** A centralized offset bank **de-risks public development projects** by providing predictable, streamlined options for meeting offset obligations.
- **Sustainability:** Supports **nature-positive approaches**, climate resilience, and long-term ecosystem services (water purification, carbon sequestration).
- **Economic and Social Benefits:** Creates jobs, boosts rural economies, and enhances compliance with international biodiversity commitments.
- **Alignment with Policy:** Advances objectives in the **White Paper on Conservation and Sustainable Use of Biodiversity** and provincial strategies.

### 1.2 Project Scope

The project involves establishing a **Provincial Biodiversity Offset Bank** to proactively conserve ecosystems impacted by planned public-sector developments. The scope includes:

**Offset Bank Establishment**

- Identify and secure suitable land (underutilized government land or private land) for biodiversity offset banking.
- Consolidate offset requirements into **large, strategically located conservation areas**.

**Regulatory Compliance**

- Align with **National Environmental Management Act (NEMA)** and **EIA Regulations**.
- Implement the **National Biodiversity Offset Guideline (2023)** and provincial guidelines.

#### Infrastructure Integration

- Link offset banking to the **public development pipeline** to streamline environmental compliance and reduce delays.

#### Conservation Management

- Develop and implement long-term management plans (minimum 30 years).
- Appoint qualified entities (e.g., CapeNature, SANParks) for ongoing conservation and monitoring.

#### Stakeholder Engagement

- Collaborate with provincial departments, municipalities, private landowners, and local communities.
- Ensure **gender-responsive procurement** and community participation.

#### Economic & Social Impact

- Create jobs and support rural economies through conservation-related activities.
- Enhance ecosystem services (water purification, carbon sequestration, climate resilience).

#### Technology & Monitoring

- Use digital tools for performance monitoring and resilience planning.
- Implement periodic audits to ensure compliance and effectiveness.

#### Funding & Financial Strategy

- Secure funding from provincial departments and explore blended finance models.
- Develop revenue mechanisms through offset credit sales to government entities.

## 2. Objectives & Key Focus Areas

| Objective | Key Focus Area |
|---|---|
| Streamline Biodiversity Offsetting by simplifying and standardize the offsetting process for public infrastructure projects to reduce costs and delays. | • Prioritising Infrastructure for Maximum Impact |
| Proactive Conservation by conserving ecologically significant ecosystems before development impacts occur, rather than reacting after the fact | • Innovation & Futures Planning |
| Improve Conservation Outcomes by consolidating small, scattered offsets into larger, strategically located conservation sites that are easier and cheaper to manage and provide greater biodiversity protection. | • Strengthening Municipal Infrastructure |
| Support Legal Compliance by ensuring public development projects meet NEMA and EIA regulatory requirements for biodiversity offsets. | • Prioritising Infrastructure for Maximum Impact |
| Enable Sustainable Development through balanced infrastructure growth with ecological sustainability and climate resilience. | • Innovation & Futures Planning<br>• Addressing Climate Change & Sustainability |

## 3. Project Timeline & Cost

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| **Estimated Duration** | 2 Year(s) & 24 Month(s) |

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|---|---|
| **Estimated Start Date** | 01 Jun 2026 |
| **Estimated Cost** | R 0 |

## 4.Project Stage-0 Submission & Approval

Self Approved By: **Herman Jonker**

Self Approved On: **07 Jan 2026 09:00:11 AM**

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| **Submitted By** | |
| **Submitted On** | |
| **Signed By** | |
| **Approved On** | |

## 5. Environmental & Social Considerations

### 5.1 Environmental Considerations

- Biodiversity Protection - Conserves ecologically significant ecosystems in the Cape Floristic Region, a global biodiversity hotspot.
- Biodiversity Protection - Implements strategic biodiversity offsets to minimize habitat loss and fragmentation.
- Regulatory Compliance - Aligns with NEMA, EIA Regulations, and the National Biodiversity Offset Guideline (2023).
- Regulatory Compliance - Ensures offsets deliver measurable environmental improvements over a pre-intervention baseline.
- Climate Resilience - Supports carbon sequestration, water purification, and flood mitigation.
- Climate Resilience - Enhances resilience against climate change impacts through ecosystem conservation.
- Sustainability - Long-term conservation management (minimum 30 years).
- Sustainability - Promotes nature-positive approaches and avoids duplication with existing state-funded programs.

### 5.2 Social Considerations

- Community Participation - Engages local communities in stewardship agreements and conservation activities.
- Community Participation - Builds partnerships with municipalities, private landowners, and NGOs.
- Job Creation - Creates employment for ecologists, land managers, restoration workers, and monitoring staff.
- Job Creation - Stimulates local economies through conservation-related services and eco-tourism.
- Gender-Responsive Procurement - Ensures procurement processes prioritize women’s participation and empowerment.
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- Social Benefits - Improves local recreation opportunities and ecosystem services.
- Social Benefits - Strengthens rural economies and supports sustainable livelihoods.
- Equity and Inclusion - Encourages fair benefit-sharing and avoids negative impacts on vulnerable communities.

## 6. Regulatory & Environmental Approvals

### 6.1 National Level

- Department of Forestry, Fisheries and the Environment (DFFE): Responsible for environmental management, conservation, and protection in South Africa

- Environmental Impact Assessment (EIA) Regulations (2014, as amended)
- National Biodiversity Offset Guideline (2023)
- White Paper on Conservation and Sustainable Use of South Africa's Biodiversity (DFFE, 2023)
- Offset Compliance - Strategic offset bank must meet criteria for permanence (ideally in perpetuity, minimum 30 years).
- Land Use Approvals - If private land is purchased or stewardship agreements are signed, approvals for land use change may be required.
- Monitoring and Reporting - Periodic audits to ensure offsets deliver intended conservation outcomes.
- SANParks - May act as a management authority for conservation sites, especially if they fall within or near national parks.
- National Environmental Management Act (NEMA): Governs environmental management and authorization processes, including Environmental Authorizations (EAs)

### 6.2 Provincial and Local Levels

- Provincial Environmental Departments: Implement and enforce environmental regulations within provinces
- Western Cape Department of Environmental Affairs and Development Planning (DEA&DP)
- CapeNature
- Municipal Land Use Approvals
- Municipal Environmental Management
- Community Engagement - Mandatory consultation with local communities for stewardship agreements and social impact considerations.
- Local Economic Development (LED) Integration
- Western Cape Department of Health and Wellness & Education
- Biosphere Reserves and Provincial Conservation Agencies
- Municipal Planning Departments - Handle rezoning, land-use approvals, and integration into municipal Spatial Development Frameworks (SDFs).
- Local Communities and Traditional Authorities - Essential for stewardship agreements and social impact compliance.
- Department of Infrastructure (DOI)
- Provincial Treasury, Western Cape

### 6.3 Other Relevant Entities

- Non-Profit Organizations (NPOs) - Support conservation management and community engagement.
- Development Finance Institutions - Provide blended finance models and funding for nature-positive projects.
- Private Landowners - Participate through stewardship agreements or land sales for offset banking.

## 7. Identify Key Stakeholders

### 7.1 Government

- Department of Health Wellness
- Department of Education
- Department Of Infrastructure
- Provincial Treasury
- Department of Environmental Affairs and Development Planning
- CapeNature
- Department of Forestry, Fisheries and the Environment (DFFE)
- Department of Public Works and Infrastructure (DPWI)
- Municipalities

### 7.2 State-Owned Entities

- **Transnet**
  If offset sites intersect with port or rail infrastructure development, Transnet may be involved in compliance and land-use coordination.
- **Eskom**
  Relevant if offsets are linked to energy infrastructure projects or land under Eskom's custodianship.
- **Water Boards (e.g., Overberg Water, Breede-Gouritz Catchment Management Agency)**
  Stakeholders for offsets related to water infrastructure projects and catchment conservation.
- **Development Finance Institutions (DFIs) – e.g., IDC (Industrial Development Corporation)**
  May provide funding or blended finance for nature-positive infrastructure projects.
- **SANParks (South African National Parks)**
  Potential management authority for conservation sites within or near national parks. Provides technical expertise on biodiversity conservation.
- **CapeNature**
  Provincial conservation agency (technically a public entity) that may manage offset sites. Implements biodiversity conservation and monitoring programs.

### 7.3 Private Sector

- **Private Landowners**
  Provide land for offset banking through stewardship agreements or direct sale. Critical for expanding conservation areas beyond government-owned land.
- **Environmental Consulting Firms**
  Conduct feasibility studies, biodiversity assessments, and monitoring. Support compliance with NEMA and EIA regulations.
- **Conservation NGOs and Foundations**
  Partner in funding, technical expertise, and community engagement. Examples: WWF-SA, Endangered Wildlife Trust.
- **Eco-Tourism Operators**
  Benefit from and invest in conservation areas for tourism activities. Create revenue streams linked to biodiversity protection.
- **Renewable Energy Companies**
  May participate in blended finance models for nature-positive infrastructure projects. Align with sustainability and carbon offset goals.
- **Development Finance Institutions (Private)**
  Impact investors and green finance entities interested in biodiversity credits and ESG compliance.
- **Agribusiness and Forestry Companies**
  Engage in stewardship agreements or biodiversity offset partnerships to meet sustainability targets.

### 7.4 Civil Society

- **Community-Based Organizations (CBOs)**
  Facilitate local engagement, awareness campaigns, and capacity building. Act as intermediaries between government and residents.
- **Non-Governmental Organizations (NGOs)**
  Provide technical expertise, advocacy, and funding support. Examples: WWF-SA, Endangered Wildlife Trust, Conservation South Africa.
- **Academic and Research Institutions**
  Conduct biodiversity studies, monitoring, and impact assessments. Support innovation in conservation and climate resilience strategies.
- **Environmental Advocacy Groups**
  Monitor compliance, promote transparency, and ensure accountability in offset implementation.
- **Traditional Authorities**
  Engage in land stewardship agreements and cultural heritage considerations.
- **Local Communities**
  Participate in stewardship agreements and conservation activities. Benefit from job creation, eco-tourism opportunities, and improved ecosystem services.

### 7.5 Other Stakeholders

- **International Organizations**
  Entities like the Convention on Biological Diversity (CBD) and UNDP may influence compliance and funding opportunities. Development partners promoting nature-positive finance and climate resilience.

- **Financial Institutions**
  Commercial banks and green finance investors interested in biodiversity credits and ESG-linked investments.
- **Professional Associations**
  Environmental law associations, conservation forums, and planning councils that provide technical standards and advocacy.
- **Media and Public Awareness Platforms**
  Essential for transparency, public engagement, and promoting the benefits of biodiversity offset banking.
- **Technology Providers**
  Companies offering GIS mapping, remote sensing, and biodiversity monitoring tools for compliance and reporting.

## 8. WCG Sector Priorities

| Outcomes | Social | Energy & Water | Economic | Technology | Ecological |
|---|---|---|---|---|---|
| **Infrastructure investment drives spatial transformation and improves spatial resilience** | Long Term 15-30 YRS | | Long Term 15-30 YRS | | Long Term 15-30 YRS |
| **Mobility systems and transportation corridors provide safe and efficient connectivity to opportunities, services, and facilities** | Long Term 15-30 YRS | | | | |

## 9. Infrastructure Type

### 9.1 Hard

This project focuses on **natural systems and conservation assets** that provide essential ecosystem services such as:

- **Water purification**
- **Carbon sequestration**
- **Flood mitigation**
- **Climate resilience**

The project creates a structured mechanism (offset bank) to **integrate biodiversity conservation into infrastructure planning**, making it a critical component of sustainable development.

### 9.2 Soft

### 9.3 Critical

## 10. Project Stage-1 Submission & Approval

Self Approved By: **Herman Jonker**

Self Approved On: **07 Jan 2026 09:47:55 AM**

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