



Resource Mobilisation for Biodiversity Conservation

Nature counts!

08.2015 POLICY BRIEF 2

BIODIVERSITY EXPENDITURE REVIEW

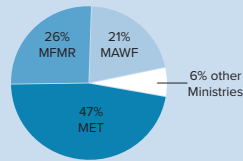
Nature counts because it provides for our well-being (see Policy Brief 1) but we also know that we need to invest in maintaining our biodiversity and, in particular, the ecosystem services on which we depend. This is particularly the case for an estimated 70% of Namibia's population who rely directly on biodiversity and ecosystem services to sustain their livelihoods. By reviewing and tracking biodiversity expenditure we can have a better understanding of how well we are re-investing in our natural assets to ensure that they can be productive now and in the future, for the benefit of all Namibians.

NAMIBIAN GOVERNMENT BIODIVERSITY EXPENDITURE

Namibian Government (GRN) expenditure on biodiversity is estimated to have peaked at N\$831m in 2015/16, after which it is expected to decline to N\$804m in 2020/21.

The Ministries of Environment and Tourism (MET), Agriculture, Water and Forestry (MAWF), and Fisheries and Marine Resources (MFMR) account for more than 90% of GRN biodiversity expenditure in the 2007/08 to 2020/21 period.

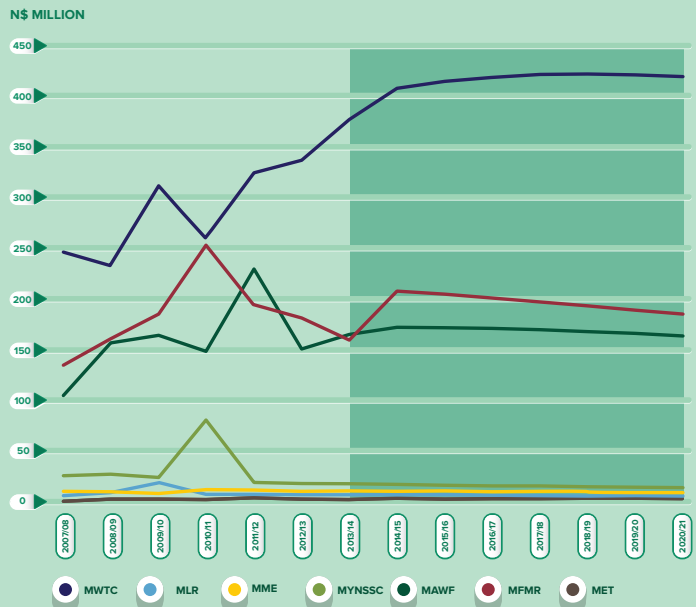
>90%
OF BIODIVERSITY RELATED
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MET, MAWF AND MFMR.



The projected reduction in GRN biodiversity expenditure suggests that the range of biodiversity-related activities supported by the Namibian Government is likely to decline. This is particularly the case among the non-MET sources of GRN biodiversity expenditure.

Note: Expenditure from 2013/14 onward is based on amounts budgeted by the Government and projections of expenditure based on past data.

Estimates and Projections of Real Namibian Government Biodiversity Expenditure, 2007/08 – 2012/13

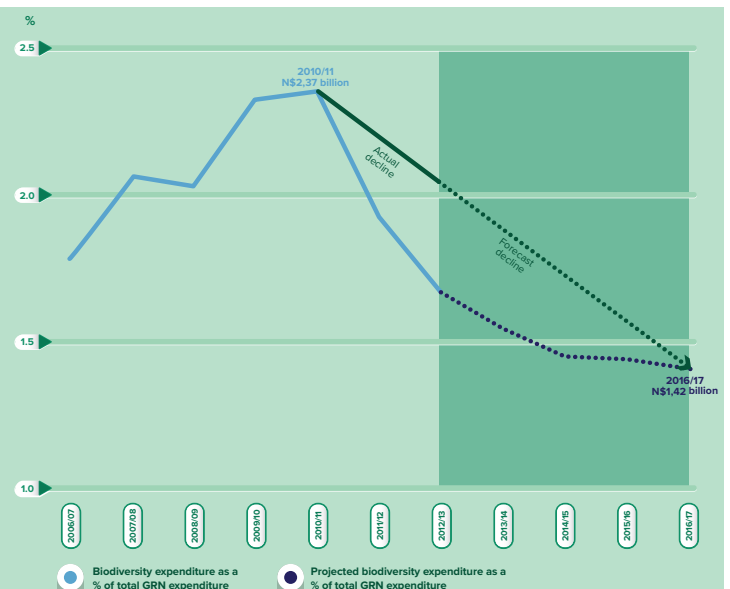


DECLINING NAMIBIAN GOVERNMENT BIODIVERSITY EXPENDITURE

With Namibia having been classified as an upper middle income country and the fact that the 4th National Development Plan does not focus on biodiversity, the government has understandably targeted public expenditure towards other sectors and services.

The proportion of GRN expenditure on biodiversity out of total expenditure on biodiversity has been in decline since 2010/11 and forecasts indicate that this is likely to continue. This suggests that biodiversity is becoming a lower priority for Namibian public funds.

The relative importance of Biodiversity in terms of estimated and projected biodiversity expenditure as a percentage of total government expenditure, 2006/07 - 2016/17





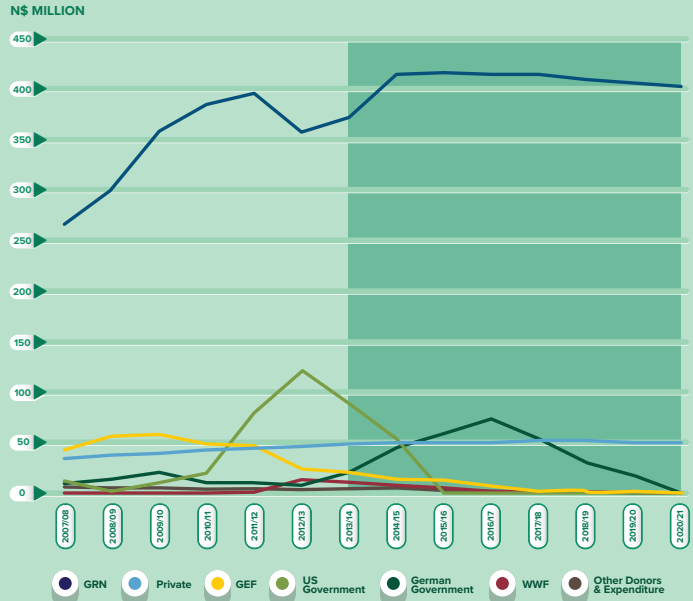
TOTAL BIODIVERSITY EXPENDITURE

Total real biodiversity expenditure was estimated to peak at N\$ 1.18 billion in 2014/15, but, unless action is taken, this expenditure is subsequently projected to decrease by 23% to N\$906m in 2020/21. GRN expenditure accounts for between 62% (2012/13) and 89% (2020/21) of the total baseline biodiversity expenditure, with the vast majority of the fall in total biodiversity expenditure after 2014/15 as a result of anticipated reductions in donor funding. Other expenditure is funded by the private sector, the Global Environment Facility (GEF), the German government, the US government, WWF and other donors.

Investing in biodiversity is not only the mandate of government, it also requires a collective effort. This includes private investment particularly by direct beneficiaries, e.g. the tourism industry (including communities), but also from international donors because the biodiversity of Namibia and some of the ecosystem services generated contribute towards global well-being (e.g. reduced greenhouse gas emissions or increased carbon sequestration).

Note: Since the publication of the report further funding support has been announced, particularly German bilateral aid and the Adaptation Fund, with further funding anticipated from the Green Climate Fund.

Total real biodiversity expenditure 2007/08 – 2020/21

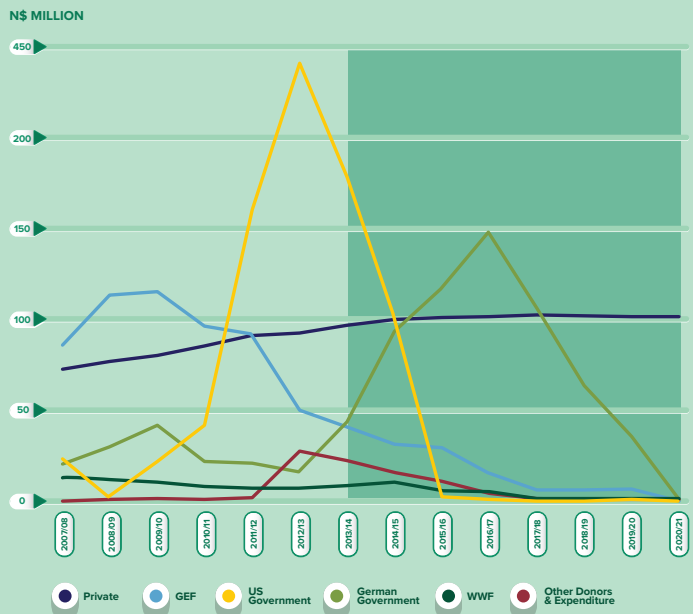


DONOR AND PRIVATE SECTOR FUNDING

- Non-GRN biodiversity expenditure comes mainly from donors, but there is also an increasingly important role for the private sector (private reserves, hunting reserves, joint-venture conservancy lodges, etc.), which is projected to reach N\$102m by 2020/21.
- The hump-shape that characterises non-Government biodiversity expenditure was driven by the United States Agency for International Development (USAID) funded Millennium Challenge Account project, which contributed approximately N\$720m (around 40%) to total non-GRN biodiversity expenditure in real terms between 2009 and 2014.
- Estimates and projections of real baseline non-Government biodiversity expenditure between 2007/08 and 2020/21 suggest a peak in 2014/15 at N\$432m, before a subsequent decrease of 76% to N\$102m in 2020/21.

Note: Expenditure from 2013/14 onward is based on amounts budgeted by donors and projections of private expenditure based on past data.

Estimates and projections of real donor and private sector biodiversity expenditure, 2007/08 – 2020/21



THE NEED FOR REINVESTMENT

To ensure prosperity and sustainability for now, and in future, Namibia needs to reinvest in biodiversity. The first step is to better understand the values of biodiversity, particularly direct economic values, but also indirect values such as flood and pest control as well as pollution. In this manner, biodiversity needs to gain the priority it deserves and to be incorporated into national development plans.

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