



# **Economic Value of East Africa's Transboundary Wildlife Landscape**

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Environmental Incentives

ANCHOR

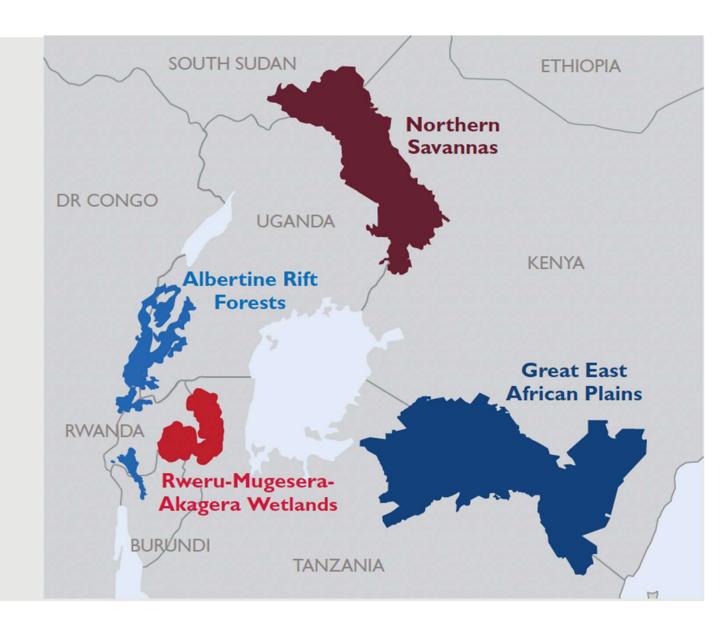
#### ECONOMICS OF NATURAL CAPITAL IN EAST AFRICA

- Ecosystems throughout EA are important for maintaining wildlife populations and providing services essential for sustaining livelihoods, human health and economic development. e.g. Food production, raw material, nature-based tourism
- However, many of these uses are consumptive, depleting natural capital and future provision of services.
- As a result, policy and management choices affect the sustainability of natural capital and the provision of ecosystem services to human communities now and in the future.
- Policymakers lack the economic data to make the case for valuing ecosystem services in land use decisions.

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# THE FOUR LANDSCAPES

These landscapes can be considered natural capital assets in that they provide significant economic benefits and contribute to human welfare. (prioritized by the EAC and Partner States)



#### VALUATION BASED ON NINE ECOSYSTEM SERVICES

#### **Provisioning services**



Harvested wild resources



Livestock production

#### **Cultural services**



Biodiversity existence



Nature-based tourism

#### **Regulating services**



Water quality amelioration



Crop pollination



Water flow regulation



Carbon storage



Erosion control

## **ECOSYSTEM SERVICES QUANTIFICATION**

- Flow regulation
- Soil erosion control
- Water quality amelioration

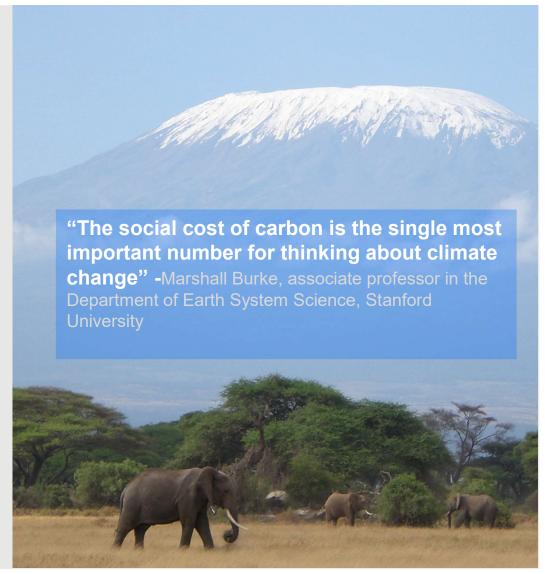


integrated valuation of ecosystem services and tradeoffs

## SOCIAL COST OF CARBON ESTIMATED

SCC estimates the damages that would be incurred under climate change.

- Socioeconomic predictions
- Climate projections
- Benefits and costs
- The discount rate



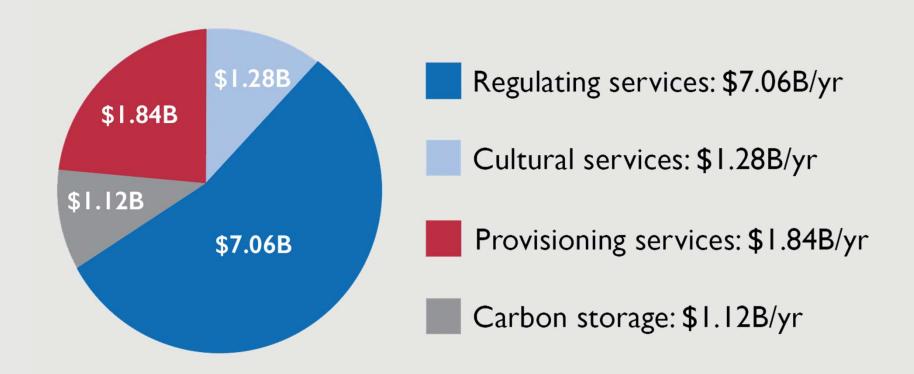
#### **KEY FINDINGS**

- Using conservative assumptions, the study estimates that within these relatively undeveloped landscapes that still offer significant and viable habitat for wildlife populations, ecosystems generate services of about:
  - \$300/ha/year for the wetland,
  - \$500/ha/year for the savanna,
  - \$700/ha/year for the plains, and
  - \$1,500/ha/year for the forest landscapes on average.

- Benefits to the different countries also vary, with the national portions of the different landscapes bringing benefits ranging from \$260/ha/year for wetlands in Rwanda to \$2,700/ha/year for forests in Burundi.
- The benefits at global scale are orders of magnitude greater than this, with the values ranging from \$32,000 to \$56,000/ha/year on average for the four landscapes.
- This difference is largely because of the significant benefit of carbon retention in avoiding increases in future climate change damages around the world.

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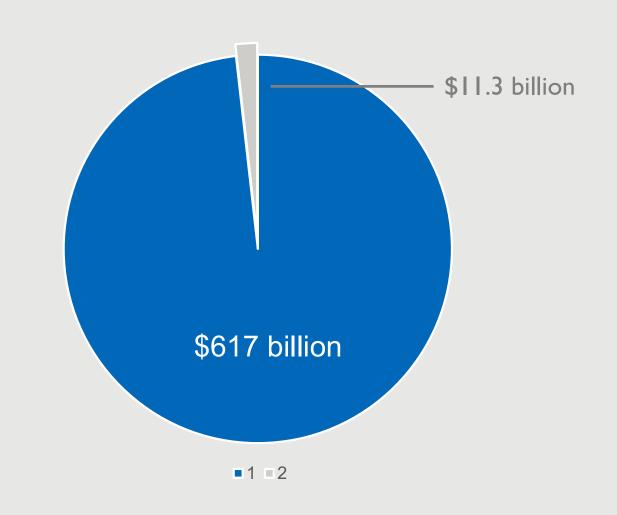
### LANDSCAPES' TOTAL VALUE TO REGION: \$11.3 BILLION



All values in U.S. dollars in 2018

## **INSIGHTS**

Global value is exponentially greater, offering potential funding opportunities for regional development



### SCALING UP NATURE-BASED SOLUTIONS

- Community conservancies afford various benefits to members:
- Economic livelihood earnings (707, 460 HH), jobs (4,800), business, etc.,
- 142 tourism facilities, 2,397 bed capacity (2016)
- \$3.69 M in the Mara 2016 e.g., Olare-Orok Conservancy (Mara): \$2,272 per landowner/year (2006-2008) to \$2,714 (2009-2010) – payment for wildlife conservation
- Scale up and monitor investment, e.g., regenerative land uses such as afforestation £1 (\$1.39) invested is projected to generate £2.79 (\$3.87) of economic and social benefits (through carbon sequestration, recreation, air pollution removal and timber and biofuel production, and biodiversity support).

## INVESTMENT IN PROTECTED AREAS: 1000% DEFICIENT IN AFRICA

- Inadequately protected parks suffer ecological degradation, losing valuable habitats and charismatic species reducing ecosystem services (including potential to supply adequate water or generate tourism revenue).
- Adequate management of protected areas in Africa, will require investment up to \$2,000/Km<sup>2</sup> annually.
- Only \$200/Km<sup>2</sup> is availed.
- Private sector contribution only 14%.



# How can EAC institutionalize natural capital in its strategies?

Theory of change



#### Regional/transboundary level

Harmonize transboundary management plans to capture interests of different Partner States and sectors for sustainable use of natural resources



#### National/sub-national level

Identify and enhance public-private partnerships that incentivize the integration of biodiversity conservation into sub-national development plans to conserve natural infrastructure.



#### Community level

Empower communities to manage natural resources through sustainable enterprises and activities that are supported by innovative private sector financing models.

