

WWF Environmental and Social Safeguards - Risk Categorization Memorandum

Project Name: Enduring Earth: Accelerating Sustainable Finance Solutions to Achieve Durable Conservation	Date: July, 2023																					
Executing Agency/ies: The Nature Conservancy (TNC)																						
Landscape Categorization on E&S Risks:																						
High Risk - (A) ___ and/or (Special Consideration) ___ /Medium Risk (B) <u>X</u> / Low Risk (C)___																						
<table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Substantive Safeguard Standards Triggered:</th> <th style="width: 25%; padding: 5px;">Yes/ TBC</th> <th style="width: 25%; padding: 5px;">No</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Natural Habitats</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Pest Management</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Indigenous Peoples</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Restriction of Access & Resettlement</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Community Health, Safety and Security</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;">Physical and Cultural Resources</td> <td style="padding: 5px;">X</td> <td style="padding: 5px;"></td> </tr> </tbody> </table>		Substantive Safeguard Standards Triggered:	Yes/ TBC	No	Natural Habitats	X		Pest Management	X		Indigenous Peoples	X		Restriction of Access & Resettlement	X		Community Health, Safety and Security	X		Physical and Cultural Resources	X	
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<p>In addition to the Substantive Safeguards above, the four Process Standards apply to all projects:</p> <ul style="list-style-type: none"> ● Environmental and Social Risk Management ● Consultation and Disclosure ● Community Stakeholder Engagement ● Grievance Mechanism 																						
Landscapes categorized as low risk have been screened in accordance to the Standard on E&S Risk Management.																						
<p><u>Project Area Context</u></p> <p>The Enduring Earth Partnership is an ambitious collaboration to support governments and communities to conserve the resources that sustain life by accelerating inclusive area-based conservation measures in furtherance of 30x30 and other development goals through the Project Finance for Permanence (“PFP”) approach. Under a PFP approach, target countries define a unique set of commitments from multiple stakeholders in a single closing to ensure that, over the long term, large-scale systems of conservation areas are well-managed, sustainably financed, and benefit the communities who depend on them. The proposed Enduring Earth GEF Project (“EE” or “the project”) will catalyze PFP initiatives in Gabon and Namibia, initiate a PFP design in the Eastern Tropical Pacific, and undertake global work to promote enabling conditions for sustainable financing for protected and conserved areas.</p> <p>Gabon: the project in Gabon will support the development of a PFP initiative, including a participatory community, financial and conservation plan and long-term public and private commitments to ensure the durability of the PAs. In addition, it will include the setting up of a transition fund that will finance site-based management activities. Its proposed interventions include 1) expanding Gabon’s marine and terrestrial/freshwater</p>																						

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protected areas, and the effective management of existing and new protected areas 2) supporting climate mitigation through sustainable logging and 3) improving livelihoods through sustainable timber and fisheries industries as well as reducing human wildlife conflict. Protected areas expansion and management interventions will take place in the terrestrial and marine national parks system and Ramsar sites under the jurisdiction of the ANPN (Agence Nationale des Parcs Nationaux du Gabon). Sustainable logging and livelihoods interventions will occur in forestry concessions and local communities.

Namibia: Since 2008, Namibia has been aspiring to set up a long-term sustainable financing mechanism for the conservancy system. In 2018, a pre-feasibility study was undertaken to scope if Namibia would be ready for a PFP intervention and how such an intervention should unfold. This established that the unique sustainable funding mechanism could be applied to community conservation areas outside of the state PA system, complementing and amplifying inclusive conservation approaches in connected landscapes. The project, thus, aims to develop the first PFP in the developing world to focus on community conservancies as an area-based management strategy. It will channel resources to an endowment that would fully fund the provision of critical extension services in perpetuity to strengthen community-based natural resource management in Namibia and deliver community-driven protection and conservation impact in approximately 100 communal conservancies covering an estimated 20M hectares of land. A sinking fund will be established to deliver the conservation targets in the interim period, until the endowment fund starts to generate return on investment.

Eastern Tropical Pacific: At COP26, the Presidents of Colombia, Costa Rica, Ecuador, and Panama signed a declaration to permit the extension of the Eastern Tropical Pacific Marine Conservation Corridor (CMAR), a voluntary regional cooperation mechanism, to link several existing MPAs and swimways, pledging to create a “mega MPA” forming an interconnected protected area and building on commitments to CMAR. In addition, a fishing-free corridor will be integrated into one of the most important marine mammal migratory routes. CMAR connects the Baulas de Guanacaste National Park (Costa Rica), Cocos (Costa Rica), Coiba (Panama), Galápagos (Ecuador), Gorgona (Colombia), and Malpelo (Colombia) Islands; with the goal of contributing to the targets of the High Ambition Coalition for Nature (30x30 Coalition) to protect at least 30% of oceans and terrestrial resources by 2030. The geographic scope of the PFP will therefore cover the anchor Marine Protected Areas of Malpelo, Coco, Galapagos, and Coiba, and the connecting swimways, which were selected due to their importance to focal migratory species and overall contribution to the diversity and productivity of ETP marine ecosystems.

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Summary of Key Safeguard Issues

In compliance with WWF Environmental and Social Safeguards Framework (ESSF), as detailed in WWF's Environmental and Social Safeguard Integrated Policies and Procedures (SIPP), the Enduring Earth: Accelerating Sustainable Finance Solutions to Achieve Durable Conservation project was screened according to WWF's Standard on Environmental Social Risk Management. The project as a whole has been classified as a Category "B" project, given that: (a) it is, essentially, a conservation initiative expected to generate significant positive and durable social, economic and environmental benefits; and (b) any adverse environmental and social impacts are site-specific and can be mitigated. Although this categorization applies for the project overall, it should be noted that the targeted ETP geography has been classified as a Category "C" project, as it is primarily concerned with conducting a feasibility study for the PFP model.

The following section presents the different standards triggered in each of the geographies included in this project.

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Natural Habitats:

Gabon: This Standard has been triggered because the Gabon PFP will fund activities with on-the-ground impact. One of these refers to the construction or improvement of small-scale infrastructure to accommodate park staff, create more effectiveness (i.e., landing strips for monitoring overflights) and overall increase management capacity for the PA. As the specific activities and its locations become better defined, further environmental impact assessments will be carried out before development of infrastructure begins.

Namibia: At this point, there are no planned activities that would negatively impact natural habitats. However, this standard has been triggered as a precaution because some of the extension services to be supported through the Endowment Fund might entail on-the-ground activities, including implementation of climate-adaptive strategies such as solar panels, development of vegetable gardens and gazettement work, among others. Consequently, further environmental impact assessments will be needed as the specific activities and locations become better defined to determine which safeguard measures, if any, need to be in place to ensure no lasting damage to natural habitats or the people that rely on them occur

ETP: Not triggered for this geography.

Pest Management:

Gabon: Not triggered for this geography.

Namibia: WWF-funded projects are not allowed to procure or use formulated products that are in World Health Organization (WHO) Classes IA and IB, or formulations of products in Class II, unless there are restrictions that are likely to deny use or access by lay personnel and others without training or proper equipment. The project will follow the recommendations and minimum standards as described in the United Nations Food and Agriculture Organization (FAO) International Code of Conduct on the Distribution and Use of Pesticides and its associated technical guidelines, and procure only pesticides, along with suitable protective and application equipment, that will permit pest management actions to be carried out with well-defined and minimal risk to health, environment, and livelihoods. While the project will not procure any pesticides, it might promote the use of registered biopesticides as part of the extension service that seeks to support conservation agriculture. Because this entails the introduction of smart farming methods and trainings on practices that allow for less pesticide use, this standard has been triggered out of an abundance of caution. A Pest Management Plan has been included in the ESMF for the Namibia portion of this project.

ETP: Not triggered for this geography.

Indigenous Peoples:

Gabon: This standard has been triggered because it is likely that the project sites identified by the Project will entail IPs. Specifically, Gabon is home to a number of self-identifying, highly heterogeneous Indigenous Peoples—including Baka, Akowa, Bekui, Bebinga, Babongo, and Baringa—as well as to a significant forest-dependent Indigenous population, including up to 30,000 Baka and Babongo people. The specific activities and locations of the project's outputs are not yet defined and more information on IPs, their physical presence in this geography and their use of natural resources is needed, which is why an Indigenous Peoples Planning Framework will be prepared as part of the ESMF to conform to WWF's Environment and Social Safeguards Framework.

Namibia: This standard has been triggered due to the presence of San and Himba peoples in the Namibian landscape. These groups are considered as Indigenous Peoples under WWF's Indigenous People's Policy and safeguards standard and are present in some of the Conservancies being supported by WWF Namibia. Due to

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their presence, additional consideration and support for their rights are required, in a manner consistent with both WWF's policies and the recognition afforded to them by the Government of Namibia. An Indigenous Peoples Planning Framework will be included in the ESMF for the Namibia portion of this project.

ETP: The four countries that make up the ETP—Colombia, Costa Rica, Ecuador and Panama—have a significant percentage of indigenous populations (3.4%, 2.4%, 6.3% and 12% of the total populations, respectively). This standard has been triggered as a precaution because, at this stage, it is still unclear whether any of these populations will be affected as the project sites are yet to be defined. If determined necessary, steps will be taken in accordance with WWF ESS guidelines to mitigate these impacts, including the development of an Indigenous Peoples' Framework and Plans, and seeking FPIC.

Restriction of Access & Resettlement: Stakeholder consultations and analysis show that there are insufficient incentives for conservation in the longer term in Gabon, Namibia and the ETP, primarily due to economic and market failures such as ill-defined property rights, missing or incomplete markets for biological resources, and challenges in valuation and quantification of conservation benefits. Furthermore, while the benefits of biodiversity and ecosystem protection in Gabon, Namibia and the ETP are accrued globally, the opportunity costs are often borne by local communities, who often lack alternative, sustainable means to sustain their livelihoods, therefore setting up long term conflict and competition between their subsistence needs and the global value of protected areas.

Gabon: This standard has been triggered because the PFP will support the establishment of higher protection designations of conserved and PAs, and more clarity about management and resources use for other protection categories such as Ramsar sites. Furthermore, it may also support the drafting of stronger management plans for MPAs and inland fisheries, and may also support stronger patrol efforts at National Parks to reduce the impacts of illegal activities (poaching, gold mining, timber extraction, etc.). As the specific activities and locations of the project's activities are not yet defined, a Process Framework will be prepared as part of the ESMF to conform to WWF's Environment and Social Safeguards Framework to ensure community rights are respected

Namibia: Not triggered for this geography, though additional information/commentary will be added in the ESMF.

ETP: Some of the envisioned changes to fishing practices/policy may impact coastal communities, including their access to fisheries. However, the inclusion of this type of policy change will be determined based on the final scope of the project and on the state governments' agreement to changes. As such, this standard has now been triggered as a precaution and any negative impacts will be assessed during the planning stage. If determined necessary, steps will be taken in accordance with WWF ESS guidelines to mitigate these impacts, including the development of a Process Framework.

Community Health, Safety and Security

Gabon: Human-wildlife conflicts (HWC) are a major threat to wildlife populations and the livelihoods of smallholder farmers given the prevalence of crop-raiding by different animal species (elephants and monkeys, among others), which can drastically reduce income and food security of rural communities, producing negative perceptions towards wildlife and perpetuating poverty. These have become increasingly common in Gabon as its human population continues to grow, which is why this standard has been triggered. Additionally, the previously mentioned possibility of working with rangers on patrolling of PAs presents a potential risk. Therefore, the ESMF

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will identify and list measures for mitigating human wildlife, as well as measures to avoid and mitigate risks associated with support of conservation law enforcement.

Namibia: HWC is prevalent, with livestock and wildlife competing for grazing, and carnivores having to kill livestock if no wildlife is available. The largest number of HWC incidents reported are attacks on livestock, averaging approximately 6,000 incidents per annum since 2015. Crop raiding and loss of life from elephant, crocodile, lion and hippo also occur quite frequently. This standard is triggered, then, due to the potential HWC in communities who are living in proximity to wildlife, including in the CBNRM approach which empowers communities to manage and benefit from wildlife.

ETP: Not triggered for this geography.

Physical and Cultural Resources:

Gabon: The establishment of PAs might have an impact on physical cultural resources and this standard has been triggered because the forest is important for many Indigenous peoples in Gabon for cultural practices and resources. Though Indigenous Peoples and local communities (IPLCs) routinely use it for hunting, fishing, and farming, the forest here also contains ancestral villages and ritual sites of invaluable cultural wealth. Moreover, IPLCs also have detailed ecological knowledge, traditional conservation practices and a strong spiritual and physical link to the rainforest. As the project's specific activities and locations become better defined, further screenings will be conducted to ensure there are no negative impacts on physical and cultural resources at the time of implementation, and a Cultural Heritage Management Plan will be created if needed.

Namibia: Not triggered for this geography.

ETP: Not triggered for this geography.

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Summary of Cross Cutting Issues; (Human Rights, Gender Equality and Women's Rights, Children's Rights, Conflict Sensitivity and Climate Change).

Human Rights:

Gabon: Historically, the creation of national parks has been found to increase land insecurity and led to human rights violations. This is compounded by the fact that, although many West African countries have moved toward more decentralized systems of land management, the Gabonese land, water and minerals are owned by the state, with Indigenous communities having limited tenure security over their traditional lands. To prevent any human rights violations in association with the PFP activities, a key component of the PFP will be the development of community engagement mechanisms such as FPIC in the establishment/expansion of new protected areas. The PFP will not support the creation of new PAs without the FPIC of local and Indigenous peoples. Rather, it will seek to improve livelihoods and provide more equitable benefits from conservation including the expansion of community-based forestry and fisheries. Therefore, the expected benefits in terms of enhanced participation, biodiversity, and land conservation for improved ecosystem services for communities' livelihoods outweigh the risks.

Namibia: In addition to inclusion of people designated as Indigenous People in decision-making, there may be other vulnerable parts of communities underrepresented in decisions that may affect them.

ETP: At this stage, no human rights issues have been identified because the scope of the project has yet to be determined. These will be assessed during the planning phase.

Gender Equality and Women's Rights: To ensure gender equity in project activities, a gender analysis will be conducted as well as a gender action plan in a participatory manner, which will include gender-specific indicators to track progress in Gabon and Namibia.

Gabon: According to the 2019 ranking from the Social Institutions and Gender Index, Gabon is ranked as a high inequality country. Domestic violence is also prevalent in Gabon, especially in rural areas. A study shows that domestic violence is most common in the provinces of Ngounié and Ogooué-Lolo, with 67% of women participating in the study responding that they experienced marital violence (emotional, physical or sexual). At the same time, there are good examples of women leadership and engagement in community governance, and access and management of natural resources. Women village chiefs—a position earned through respect and support of communities—are not uncommon. Furthermore, in September 2021 Gabon adopted new laws designed to reduce the risk of violence against women and prohibit discrimination in the economy, in particular by amending legislation to promote women's financial inclusion and access to more employment.

Namibia: Namibia has made significant progress in promoting gender equality and women's empowerment over the years. The government has implemented policies and programs aimed at addressing gender disparities in education, health, and economic participation. In terms of education, the country has achieved gender parity in primary and secondary education enrolment, but there are still disparities in terms of academic achievement and dropout rates. In terms of health, maternal mortality rates have decreased, but women and girls still face challenges in accessing quality healthcare, particularly in rural areas. In terms of economic participation, women in Namibia are underrepresented in the formal labor market, and face wage disparities when compared to men. In terms of political representation, women's participation in politics is low and they are underrepresented in leadership positions.

ETP: The countries in the ETP currently present some issues in this regard. For example, women's roles in sustainable management of forest resources and agricultural system are marginalized in Costa Rica, while 80%

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of internally displaced people due to civil armed conflict in Colombia are women and children. More specific information on these issues will be gathered once the scope of the activities and project sites have been identified.

Children's Rights:

The PFP is projected to have a low probability of potential negative impacts on children and adolescents.

Conflict Sensitivity:

Gabon: Over the past decade, there has been some growing conflict around elephant raiding of agricultural plots, creating strong resentment in rural population with the healthy/growing population of elephants in some areas, thanks to improved protection work. Rural communities clamor for mechanisms to reduce the conflict and/or repair/compensate for the losses. Moreover, communities surrounding national parks indicated not seeing a direct benefit to their livelihoods, with expectations of new revenues coming from tourism or other PA based activities yet to materialize. That creates a relatively low level of support or engagement with PA in some areas of Gabon.

ETP: Drug trafficking is an issue in the ETP waters, which is under the purview of the national enforcement authorities, which highly in terms of governmental transparency and corruption, particularly in Ecuador and Colombia where it is perceived as being relatively high. Furthermore, the ETP concentrates many international interests (from the ETP countries themselves as well as other countries such as China) due to the contributions to the economy the fisheries in the area report. The current state of these fisheries is not sustainable, as they are overfished and lacking control of illegal, unreported and unregulated (IUU) fishing, consequently threatening the biodiversity of the region. However, if the countries agree to changes in fisheries policy, there is a risk of exacerbating the conflict in the short term.

Climate Change:

Gabon: Gabon is considered highly vulnerable to climate change impacts, as current trends include an increase in the number of hot days, a 0.6°C rise in mean annual temperature since the 1960s—particularly during the dry season—and a significant decrease in average rate of rainfall. Gabon's rural populations are especially vulnerable to a changing climate due to a reliance on local natural resources and rainfed agriculture. Gabon is also expected to experience an increase in extreme weather events, particularly flooding, with life-threatening river floods predicted in the coming decades. Given that the vast majority of Gabon's population live in coastal areas or along rivers, increased flooding and rising sea levels will impact the region's communities and biodiversity.

Namibia: Climate variability projections for Namibia suggest a drying and heating up of the climate, which will result in further desertification and a general drying of the environment. According to the World Bank's Climate Change Knowledge Portal, in 2040-2059, Namibia will experience a mean annual temperature rise of 2.14 degrees Celsius and an annual precipitation decrease of 40.85mm. This will place increasing pressure on current agricultural systems. Whereas wildlife as a land-use will also be impacted, the degree of impact of climate change on wildlife tourism will be much less severe than the impacts on agriculture.

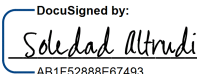
ETP: Though the specific scope of communities included will be determined during the planning stage, the PFP will focus on coastal communities in all four of the ETP countries. These populations are currently vulnerable to the impacts of climate change and more information on these effects will be obtained to determine the best mitigation and adaptation measures for the PFP to undertake

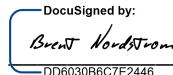
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Required Actions for Impact Assessment (ESIA) and Mitigation Framework (ESMF):

Since the exact scope of the activities supported by this project as well as the locations where those will be undertaken are being defined at the time of writing, an Environment and Social Management Framework (ESMF) will be developed both for the Gabon and Namibia geographies. In the first case, the ESMF includes a Process Framework (PF) and an Indigenous Peoples Planning Framework (IPPF), while the latter ESMF includes an IPPF. These documents will be prepared to conform to WWF's Environment and Social Safeguards Framework and outline the principles, procedures, and mitigation measures for addressing environmental and social impacts associated with the project in accordance with the laws and regulations of the Gabon and Namibia, respectively, as well as with the WWF SIPP.

While an ESMF will not need to be developed for ETP, a Stakeholder Engagement Plan (SEP) will be prepared for this part of the project, which is classed as Category C.

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