



## POLICY BRIEF

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### Pathways to climate resilient livelihoods in the KAZA TFCA



#### Disclaimer

The British government's Department for International Development financed this work as part of the United Kingdom's aid programme. However, the views and recommendations contained in this report are those of the consultant, and the Department for International Development is not responsible for, or bound by, the recommendations made.





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## Executive summary

The Kavango Zambezi Trans Frontier Conservation Area (KAZA TFCA) has a dual economy. Tourism – the most lucrative economic activity that the area’s conservation status allows – attracts a secure, if seasonal, income. Meanwhile, many of the almost three million inhabitants in the area live in poverty, engaging in the unsustainable use of natural resources to survive. There is an opportunity to incorporate this population into the tourism value chain by encouraging the tourism industry to source suitable agricultural products from suppliers within KAZA rather than importing them from South Africa or beyond the Southern African Development Community (SADC), as is often the case. This would benefit the informal economy, the tourism industry and the natural environment. The success of such a shift depends on three key factors: identifying, developing and supporting suitable farming enterprises within the region; motivating tourism operators to buy local produce by reducing the risks involved in trading with community suppliers; and encouraging a regulatory environment that supports cross-border trade of produce farmed within the five member states, including KAZA itself.

## Recommendations

Three goals need to be achieved if KAZA communities are to join the tourism value chain:

- **Local farming enterprises need to be developed** to the point that they are able to supply produce of the quality and volumes required by the tourism sector. This will give KAZA’s inhabitants a real chance to participate in formal-sector opportunities and reduce their reliance on less secure subsistence activities.
- **Tourism operators need to be made aware of the benefits of sourcing produce locally.** These include better relations with their neighbours and protecting the long-term future of their natural assets by developing alternative livelihoods for communities that currently engage in environmentally unsustainable subsistence practices.
- **A legislative and regulative environment that supports the import and export of agricultural produce between KAZA member states needs to be encouraged.** The utility of current trade tariffs and barriers between KAZA member states needs to be carefully examined. Evidence suggests that greater trade integration between the KAZA member states would have numerous economic and environmental benefits for tourism operators and communities within the conservation area. These benefits could extend beyond KAZA's borders to include the rest of the five member countries.



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## Background

The KAZA TFCA is home to nearly three million people. Most of them are poor and rely on the area's natural resources for their survival. When coupled with advancing climate change and variability, the subsistence behaviours they engage in – which include unregulated activities like hunting and trading bush meat, and the felling of trees for agricultural land and domestic fuel – are creating an environmentally unsustainable situation that jeopardises both the area's natural abundance and their own future livelihoods. Human-wildlife conflict is also a growing problem as human settlements expand and wildlife migration routes in the area are restored.

The tourism sector presents an opportunity to counter this trend. A data-gathering exercise recently conducted by the Climate Resilient Infrastructure Development Facility (CRIDF), which is funded by Britain's Department for International Development, revealed that KAZA's tourism sector currently imports several agricultural products that could be farmed and traded within KAZA without placing substantial additional demands on the area's water supplies. If the sector were to source these products from local producers, it would inject much-needed income into the area's most vulnerable communities, reducing their need to engage in unsustainable subsistence activities.

## Approach

CRIDF has been working with KAZA's five member states to help them incorporate climate resilience into regional and local plans for economic, water infrastructure and livelihoods development since 2013. To enhance evidence-based decision-making, in 2015 CRIDF embarked on a data-gathering exercise to draw together new and existing information on agricultural production and trade in the area, and their effect on the area's water resources. Datasets on cross-border trade, agricultural production, tourism consumption, the carbon footprint of selected agricultural products, and direct and indirect water usage were compiled into five databases, which were made available to KAZA's leadership in June 2016.

## Current cross-border trade environment

Many agricultural products in the KAZA countries are protected by an import/export tariff or a non-tariff trade barrier (that is, a trade quota or ban). Where trade occurs, multiple permits are often required. These measures aim to protect the countries' developmental goals and local industries by limiting the outflow of raw materials and unique genetic resources, but they also place a financial and administrative burden on businesses wishing to access markets beyond their country's borders. For small enterprises, this burden can be crippling.



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## Findings

KAZA and CRIDF used the databases to develop a short list of agricultural products with the potential to be incorporated into the tourism value chain at several sites in the KAZA TFCA. These products were chosen based on several criteria, including:

- The size of the market for the product in selected tourism clusters in KAZA.
- How increasing production of that product would improve the economic participation of women and disadvantaged or vulnerable groups.
- The existing skills base at selected sites (to determine how much development and support will be needed to ensure sustainable, transformative change).

CRIDF will help KAZA develop these products over the next six months to generate evidence in support of the premise that pro-poor, climate resilient infrastructure and transboundary planning can transform local livelihoods and ensure long-term, sustainable growth in KAZA.

The work is divided into three streams:

- Developing enterprise investment proposals.
- Facilitating partnerships between (new) community producers and (established) tourism operators.
- Developing an evidence-based business case, based on the pilot projects, to persuade investors such as the Green Climate Fund to support the expansion of these initiatives across the KAZA region.