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African Wildlife  
Economy Institute

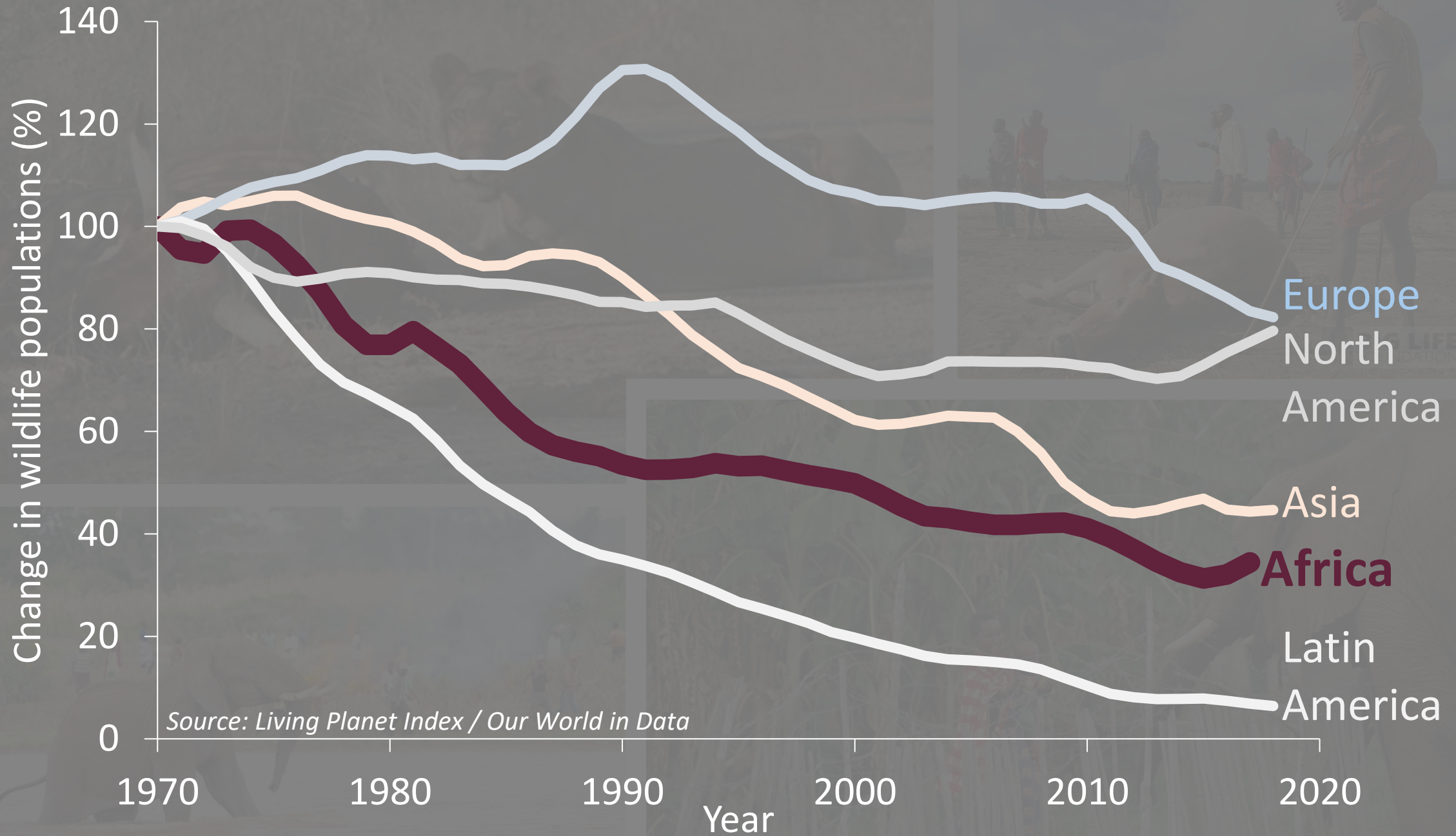
A photograph of four wildebeest running across a dry, golden-brown savanna landscape. In the background, there are rolling hills and mountains under a clear blue sky.

# Lessons learned from South Africa's wildlife economy

**Hayley Clements**

[www.sun.ac.za/awei](http://www.sun.ac.za/awei)

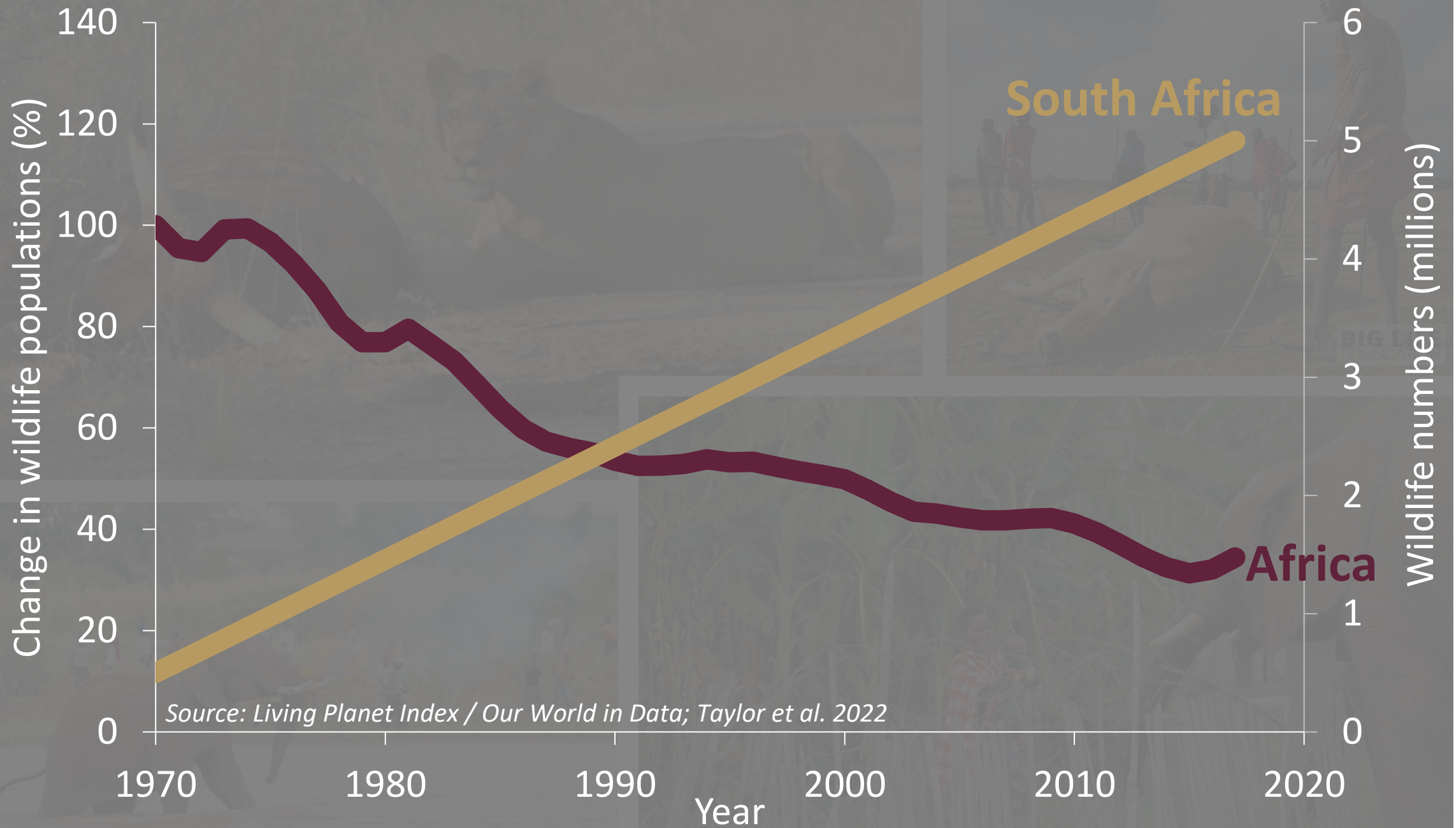




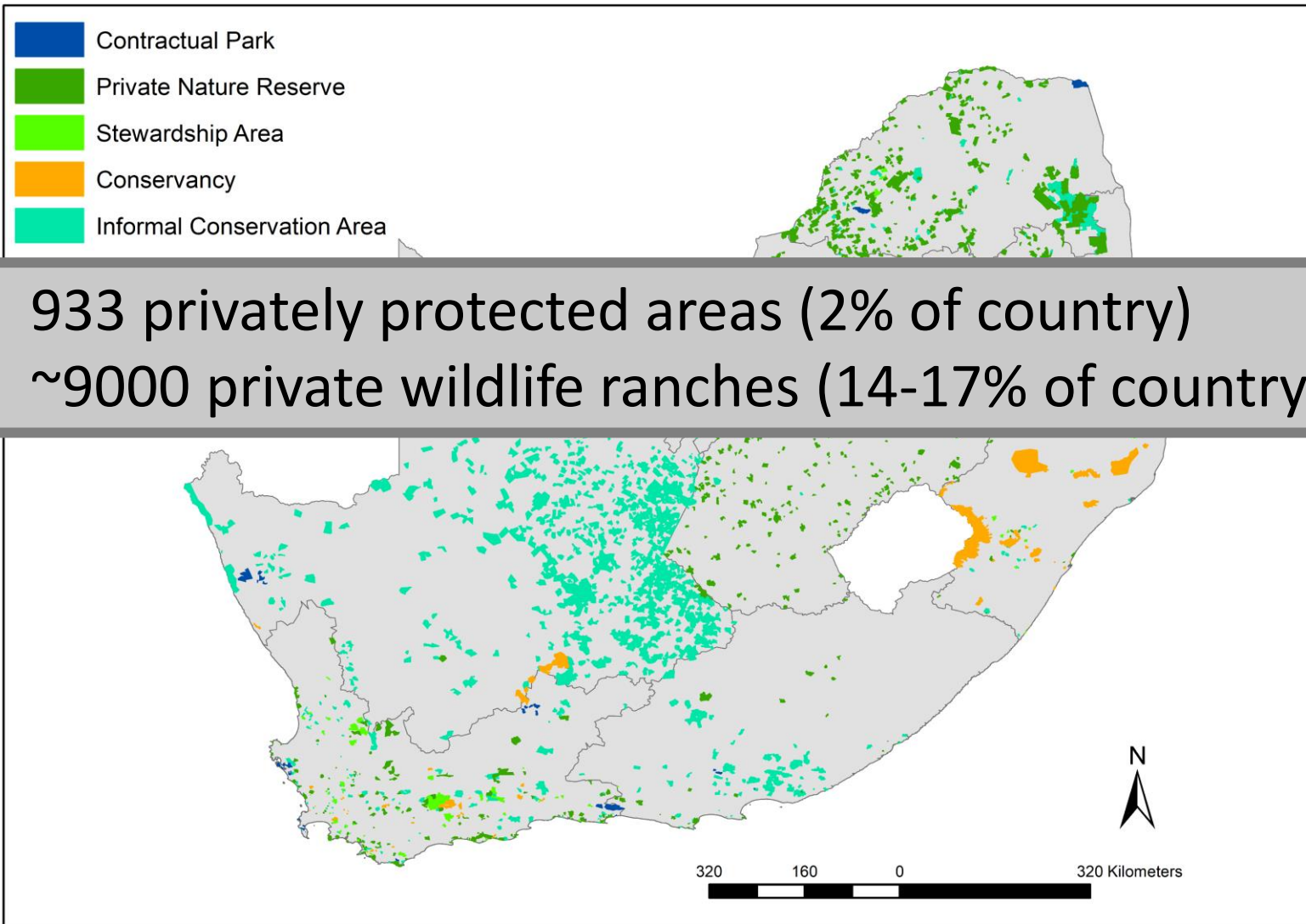








# >Five million wild herbivores on private lands

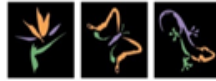




What can we learn from South Africa's wildlife economy for aligning conservation and development in a changing world?







<https://www.wildeconomy.org>

# Sustainable Wildlife Economies Project

**Our goal is to generate knowledge that will help design sustainable, innovative and inclusive wildlife economies**

We also seek to create skilled employment in the conservation sector, fill critical information gaps for policy-makers and practitioners, and create public awareness of South Africa's unique biodiversity economy.



## EASTERN CAPE DASHBOARD

137

Surveys conducted

852 K

Hectares assessed

37

Young people  
employed



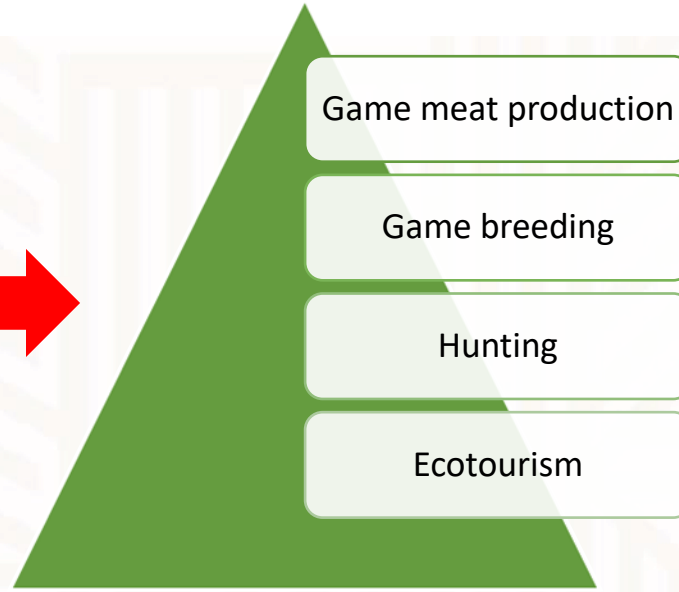
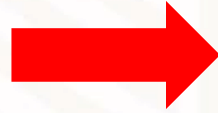


# The wildlife economy has a diverse economic portfolio

Slide credit: M Child  
Sustainable Wildlife  
Economies Project



Wildlife-based land-uses



Revenue / ha  
= USD 404

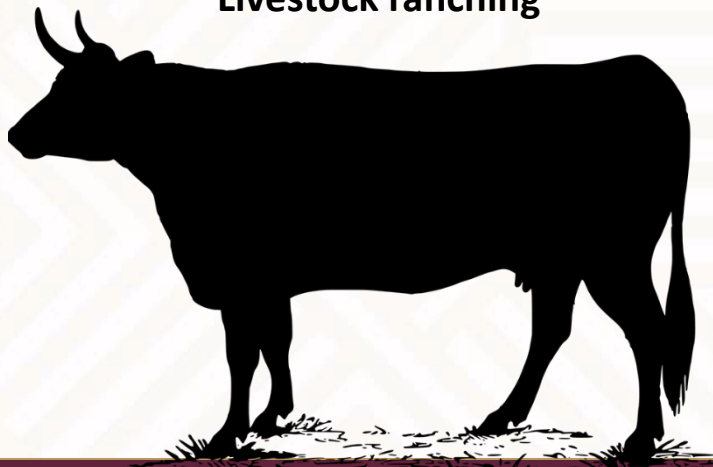


Return on investment  
= 2 – 7%



Jobs / 100 ha = 0.8

Livestock ranching



Revenue / ha  
= USD 131



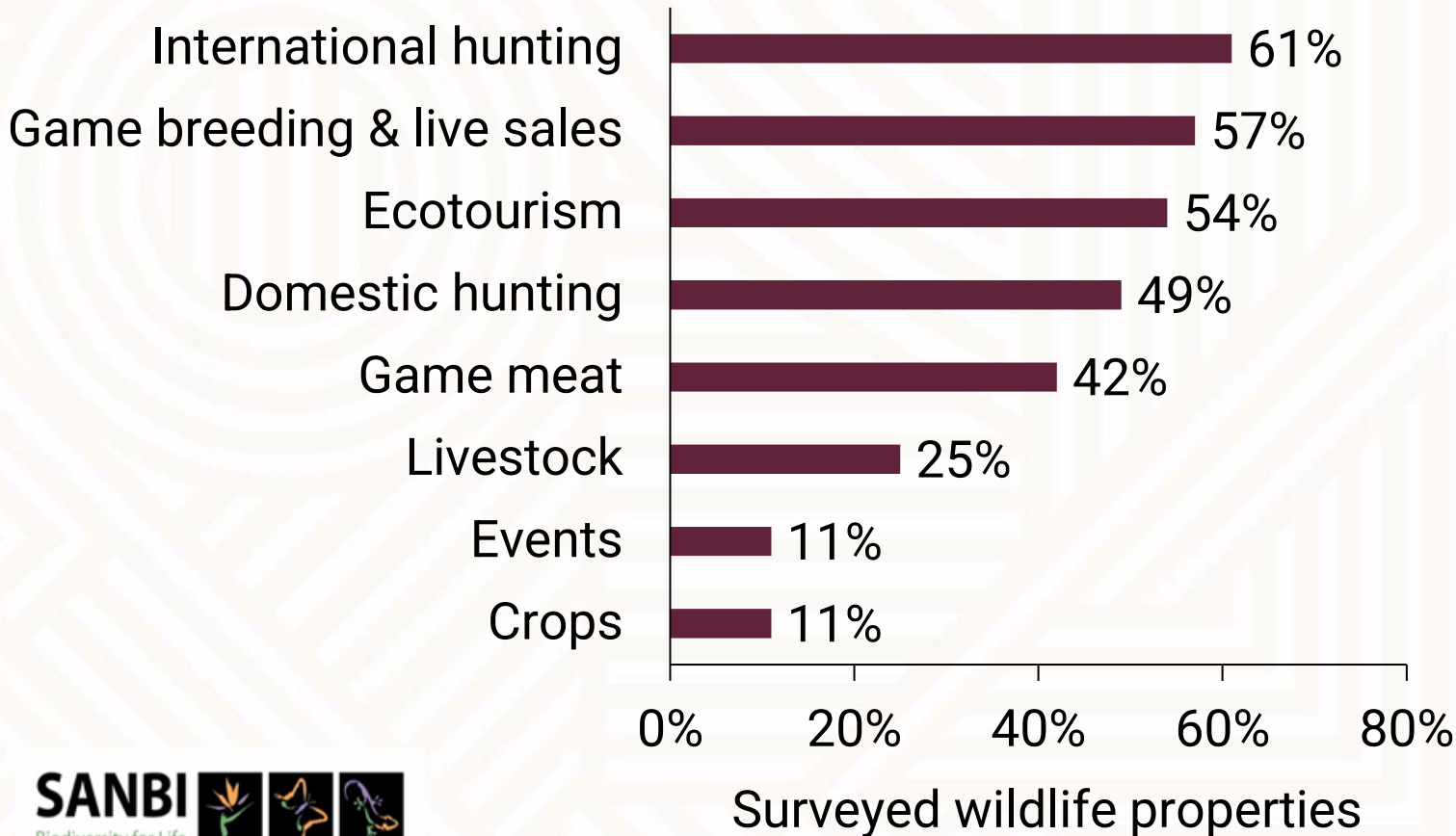
Return on investment  
= 3 – 4%



Jobs / 100 ha = 0.4



# International hunting and wildlife-based tourism are key economic drivers



International hunting is the largest contributor to revenue and thus very important for making the wildlife economy (and habitat conservation) viable.

There is potential for domestic hunting and game meat production to be significantly upscaled with the right infrastructure and marketing investment.



# The diverse wildlife ranch enterprises

6 major revenue-generating activities on wildlife ranches:



Ecotourism



Hunting (trophy)



Hunting (meat)



Wildlife breeding



Game meat ('venison')



Agriculture (livestock/cultivation)

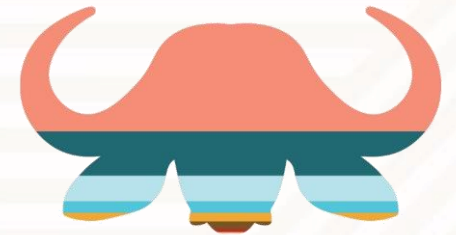
Trophy hunting



Ecotourism



Wildlife breeding



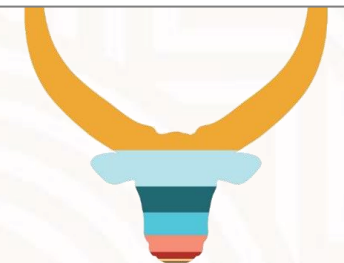
Trophy hunting & meat



Mixed hunting



Wildlife & agriculture





# The diverse wildlife ranch enterprises

## Diverse impacts:

- all models outperform livestock farms with more women and permanent employees

- specialised models employ more people

- specialised models have higher profits and returns on investment





# The diverse wildlife ranch enterprises

## Diverse requirements:

- specialised models  
require greater  
investment in land,  
infrastructure, and  
wildlife stocks





# The diverse wildlife ranch enterprises

## Diverse resilience:

- mixed models were more resilient in the pandemic

- tourism and game markets are volatile

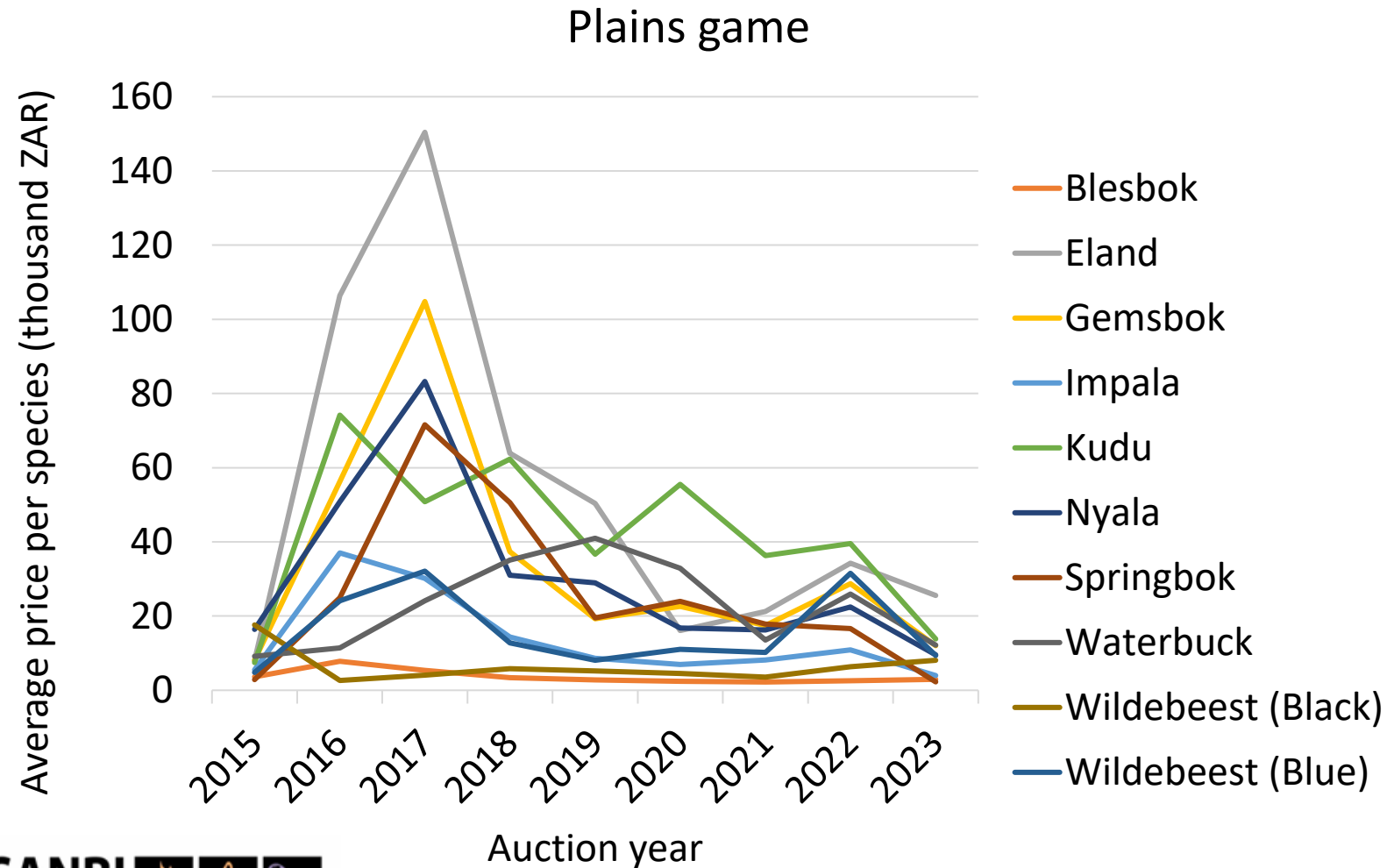
- livestock buffers ranches in bad years



# The diverse wildlife ranch enterprises

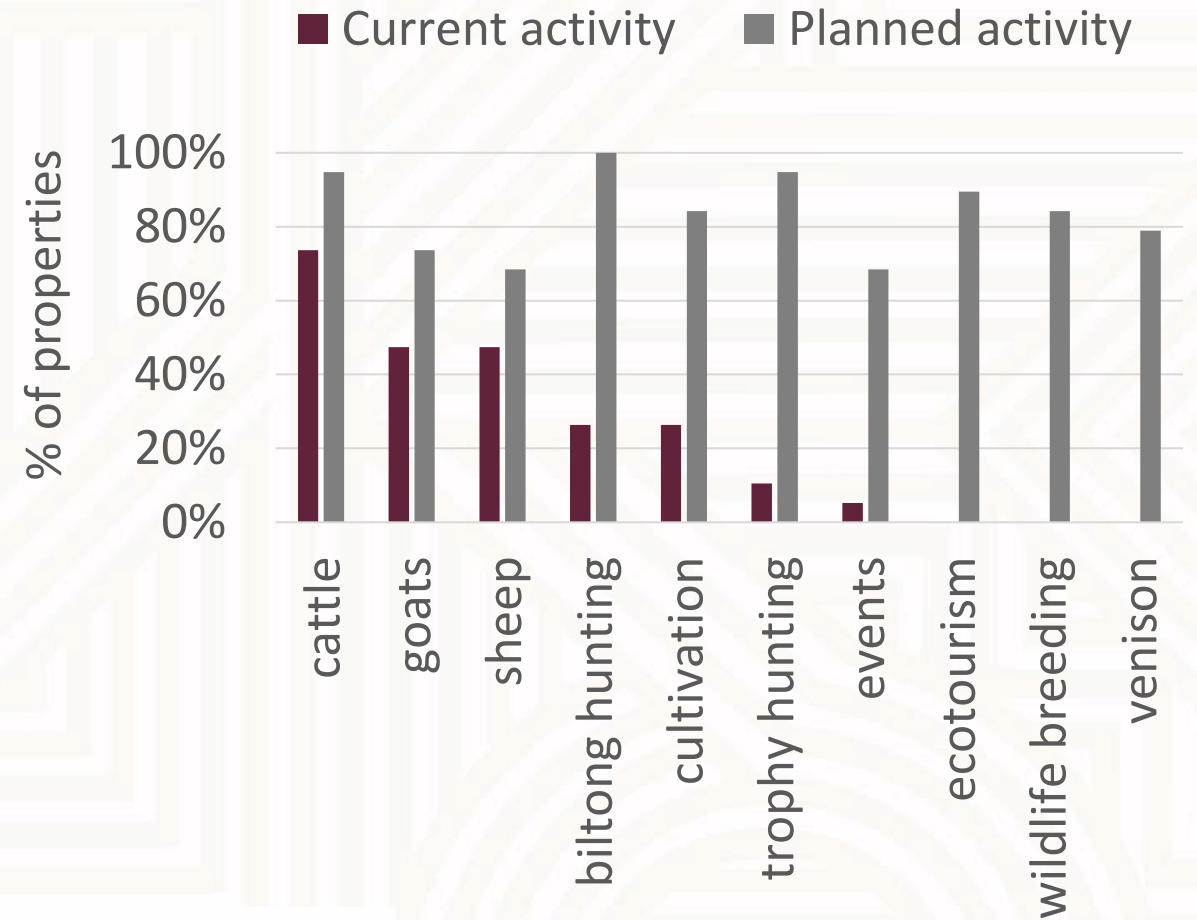
## Diverse resilience:

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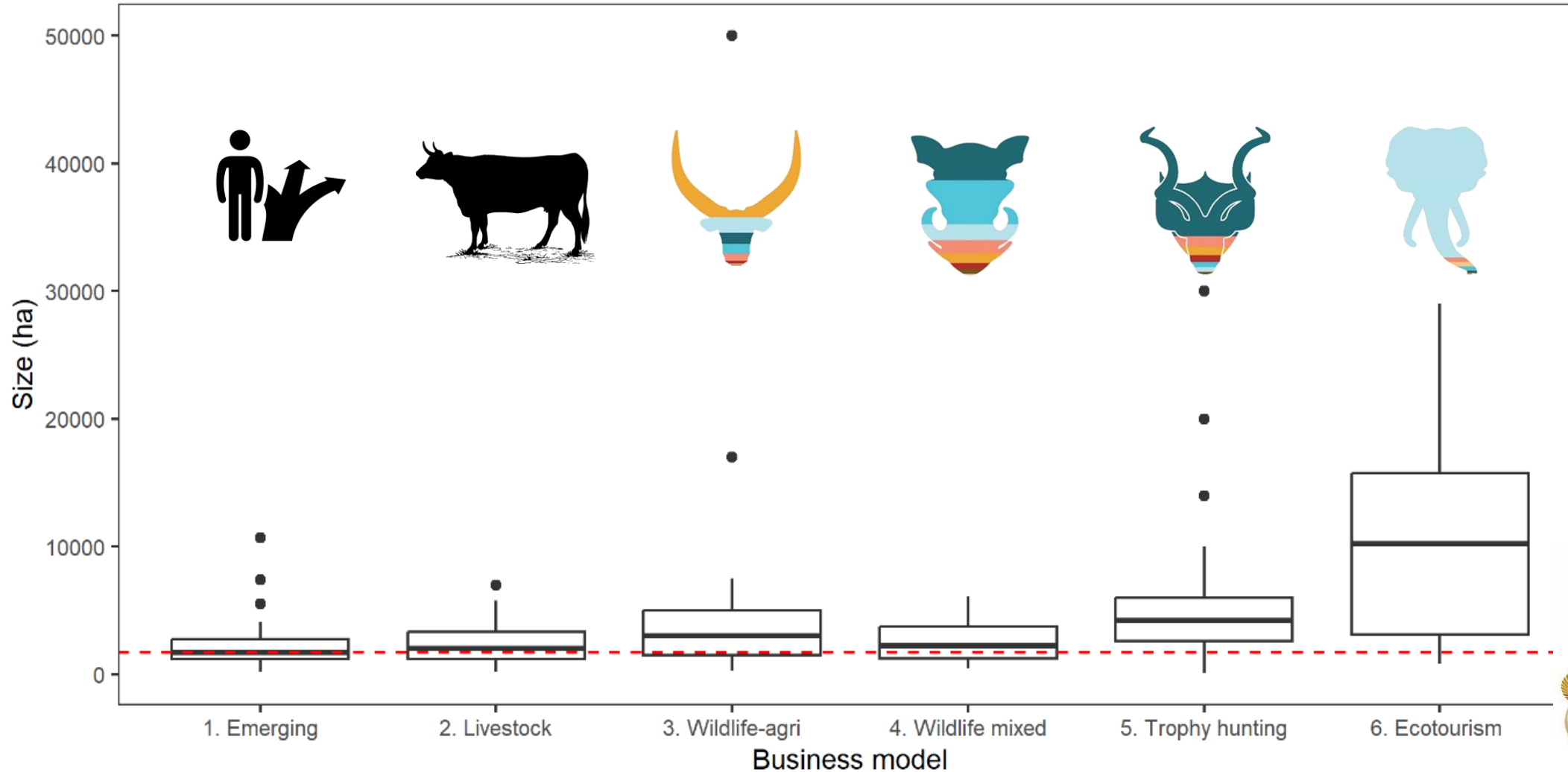




# Creating an inclusive wildlife economy: insights from emerging ranches

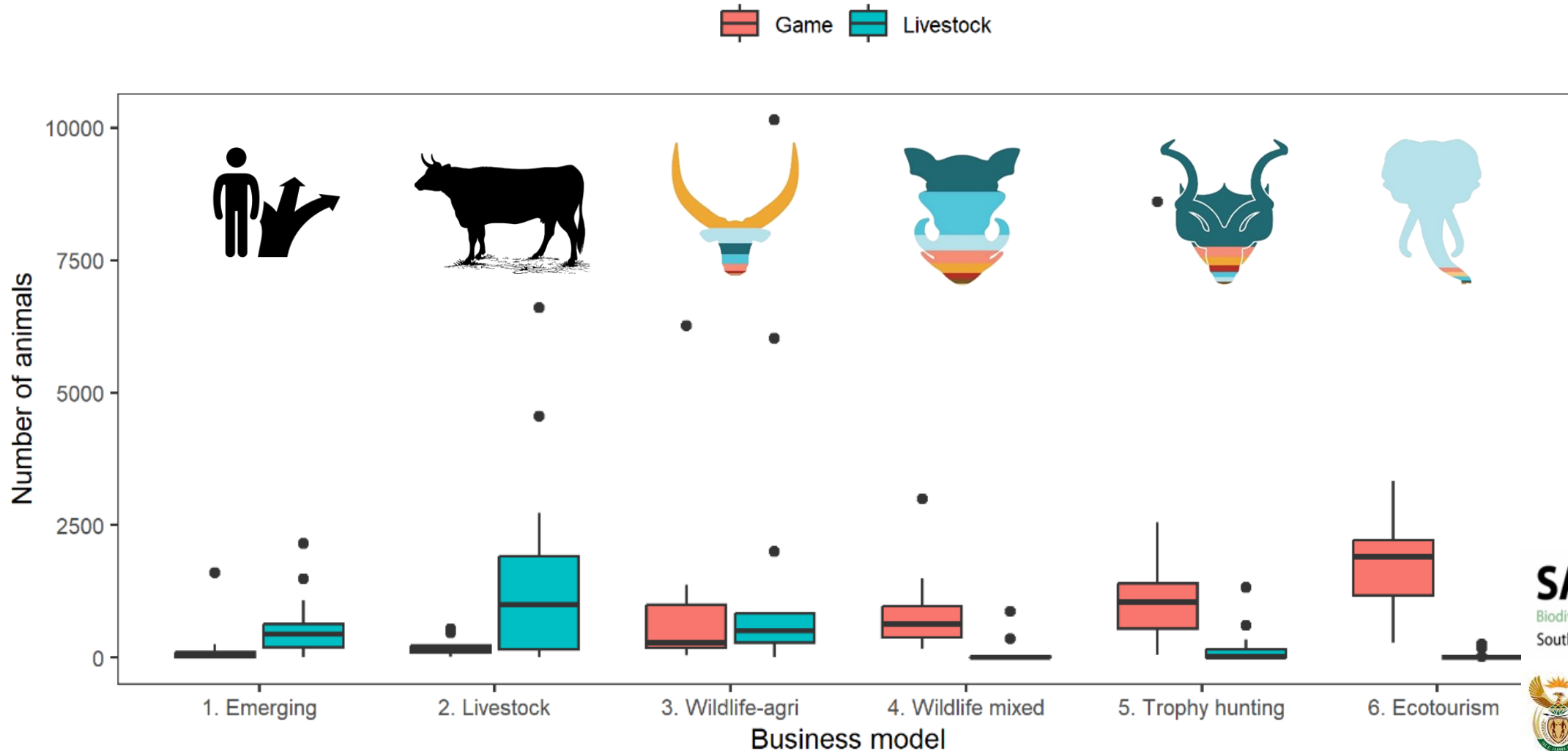


# New market entrants size constraints and opportunities

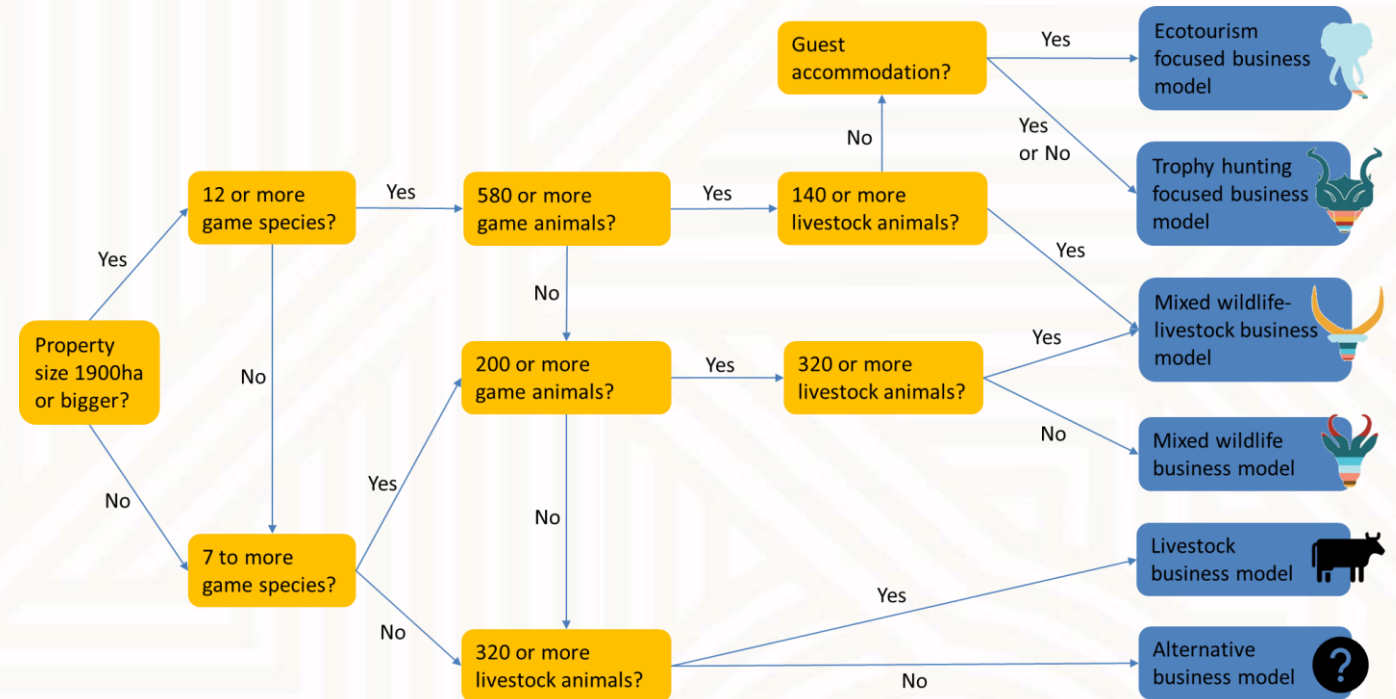




# New market entrants wildlife constraints and opportunities



# Wildlife loans to unlock inclusive wildlife economies





# Investment to unlock inclusive wildlife economies



## WILDLIFE ECONOMY

### Enterprise attributes

- ▶ A wildlife ranch has a mean annual revenue of USD 404/ha, higher than an average livestock farm (USD 131 / ha)<sup>2</sup>
- ▶ Annual wildlife ranch return on investment of 6.8% (median) in 2016 (interquartile range of 1.4-15.0%)<sup>2</sup>
- ▶ Most ranchers conduct multiple revenue generating activities<sup>2</sup>
- ▶ Live sales are most common, followed by ecotourism, trophy hunting and meat hunting<sup>2</sup>
- ▶ Just under half of ranches combine wildlife and livestock<sup>2</sup>
- ▶ Models that specialise in high-end ecotourism, followed by trophy hunting, yield the highest returns, but have the highest barriers to entry and the greatest fixed operational costs<sup>3</sup>

### National economic impact

- ▶ Trophy hunters spend USD 250 million per year and support 17 000 jobs<sup>1</sup>
- ▶ Meat hunting generates ZAR 0,651 billion / USD 51 million per year<sup>2</sup>
- ▶ Live game trade generates ZAR 4.328 billion / USD 339 million per year<sup>2</sup>
- ▶ Game meat sales generate ZAR 0.612 billion / USD 48 million<sup>2</sup>
- ▶ Top meat producers harvest game meat at volumes comparable with lower-tier livestock farms<sup>2</sup>
- ▶ Potential to grow game meat sector, with current wildlife meat production of 50,000 compared with 1.2 million tons of livestock meat<sup>2</sup>

### National social impact

- ▶ 68,000 jobs created by the wildlife ranching sector<sup>2</sup>
- ▶ Wildlife ranches employ more people on average (0.0088 / ha) than livestock farms (0.0037 / ha)<sup>2</sup>
- ▶ Wildlife ranches pay employees more on average (USD 334 / month) than livestock farms (USD 204 / month)<sup>2</sup>
- ▶ Wildlife ranches employ more women than livestock farms, particularly ecotourism ranches<sup>4</sup>

### National conservation impact

- ▶ 20 million hectares of land<sup>2</sup> supporting 4.66–7.25 million herbivores<sup>5</sup>
- ▶ Ranches conserve 40 species of indigenous herbivores, including 12 nationally threatened species<sup>5</sup>
- ▶ Higher large herbivore species richness and more threatened species than the average state park<sup>5</sup>
- ▶ 46% of national wildlife ranch extent overlaps with Critical Biodiversity Areas<sup>4</sup>

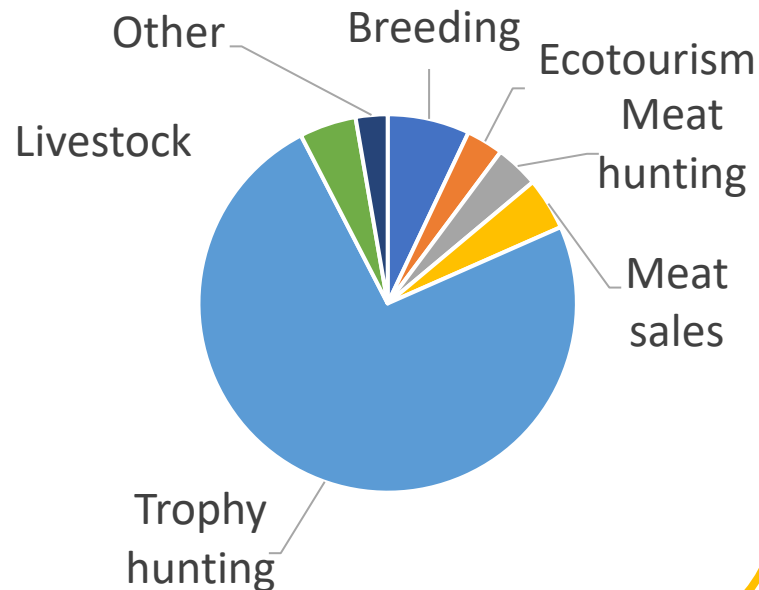
# Investment to unlock inclusive wildlife economies



## Trophy hunting wildlife ranch

### Economic activities

(% of total revenues)



**Size:** generally large properties and high investment requirements

**Number of game species:** at least 12 species (median of 15)

**Investment requirements:** At least R10 mil in land and infrastructure (median R26 mil) and R17 mil in game (median = R51 mil)

**Revenues:** At least R2 mil (median R4 mil)

**ROI:** 2% (range 1 to 8%)

**Considerations:** CAE if large game and / or hunting year-round, roads, waterpoints, mid-range accommodation unless using an outfitter with other accommodation. Requires sufficient population sizes for trophy animals (only ~6% of population). Highly dependent on international hunters. Low/mid-range ecotourism in non-hunting months can augment income if the property has accommodation facilities. Hunted meat can be sold if the enterprise has access to an abattoir.



# Lessons learned from South Africa's wildlife economy

- Devolving wildlife ownership rights results in diverse wildlife enterprises
- Leads to diversity in conservation and socio-economic contributions
- Building resilience: celebrate diversity and allow for adaptation
- Learn from established sector to support emerging ranchers

