



ACCT Fund

*Africa Conservation & Communities
Tourism Fund*

FUND MANAGER

ThirdWay *Partners*

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ADVISOR

natureVest

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Chairman's Letter

2024 was another strong year of impact investment in nature and people through the Africa Conservation and Communities Tourism Fund. USD 25 million was committed in 2024 to expand tourism in Botswana, Kenya, Mozambique, Namibia, Zambia, and Zimbabwe. The first marine investment was committed this year in Mozambique as well. This brings the total extent of protected and conserved areas in which ACCT-funded operators have camps to 142,000km².

Through careful selection of investments and strong conservation and community covenants secured in the loan agreements, the ACCT Fund supported its portfolio companies to deliver the following impact in 2024:

- USD 12.1 million in salary and non-salary flows to local communities in critical conservation landscapes;
- Direct employment of 1,768 people (87% from the local community)
- 12,376 local people receiving downstream benefits through this employment
- USD 13.6 million in payments to conservation areas to support improved management

We expect these numbers to increase further as new camps, built with ACCT funding, come online during 2025.

As The Nature Conservancy and ThirdWay Partners, we continue to realize the benefit of aligning conservation and livelihood outcomes with financial investments. All of these tourism operators rely on both thriving nature and healthy communities for the long-term survival of their businesses and are therefore heavily incentivized to protect them. We believe deploying capital with strong environmental and social safeguards alongside meaningful livelihood and conservation outcomes is both responsible and exciting.

I visited several of the Fund recipients this year and feel very good about the impact on the ground and in the neighboring communities. As we make final deployments this current year, we will shift the team's focus to monitoring the impact of these investments.

Matthew A. Brown (Matt)

Chairperson: ACCT Conservation Committee
Managing Director, Global Conservation
The Nature Conservancy



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Chief Investment Officer's Letter

In the last few years, there has been a growing awareness of the critical importance of protecting large natural ecosystems and the biodiversity that support these landscapes. Unfortunately, natural landscapes have historically not been protected for their ability to combat climate change and sustain biodiversity. The long-term societal consequences of this oversight are becoming increasingly clear in landscapes across the globe, as the struggle between dwindling resources and growing demands serves as a stark warning for the future. There is now a growing appreciation of the need to find solutions which can bring recurring and self-sustaining flows of capital into these areas over the long term. To a large extent, humans rely on these large ecosystems for our “oxygen.”

This has become even more critical as conservation aid in Africa is under threat as a result of increasing reprioritization by countries across the globe towards internally focused goals. This leaves wildlife and local communities more vulnerable than ever, and the model where conservation generates its own financial resilience is no longer just an alternative but becoming a necessity.

Although the field of finance for biodiversity is evolving, investable propositions continue to remain in short supply. The ACCT Fund has demonstrated that it is possible to generate measurable biodiversity conservation and community impact, while achieving risk-adjusted financial returns. Our model proves that conservation tourism can be economically interesting to

investors, create long-term cashflows for ecosystem protection, provide jobs and foster a sense of ownership and pride within local communities. By helping conservation tourism to survive and thrive we are also driving investor and philanthropic interest.

Over the past year, we have continued to build a highly impactful portfolio of conservation tourism investments. The structure of the Fund's financing means that capital is already being repaid and at the same time, financial contributions to owners and managers of protected and conserved landscapes and local communities are increasing. For the first time, we are seeing an opportunity to recycle this capital into new, high-impact investments—a powerful demonstration of how conservation tourism can be sustainable and achieve a substantial multiplier effect.

We remain grateful to our partners and investors who share this vision, and we look forward to continuing to deploy capital in a way that delivers meaningful biodiversity impact while generating real financial returns.

Thank you for your continued support.

Guy Lafferty

Partner—Chief Investment Officer, ThirdWay Partners



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Background to the Fund

Africa's Biodiversity

Famous for its spectacular savannas, abundant large mammals¹ and extraordinary forests, Africa is home to one-third of the world's biological diversity.² In addition, the continent's intact ecosystems are globally important carbon sinks as well as a source of livelihoods for many millions of people.

Despite these fundamental truths, the past 50 years (1970–2020) saw the average size of monitored wildlife populations in Africa shrink by 76%. Habitat degradation and loss, driven primarily by our food system, is the most significant threat to biodiversity, followed by overexploitation (both legal and illegal), invasive species, and disease.³ Going forward, these losses are likely to both exacerbate and be exacerbated by, the growing effects of climate change.

Protected areas (PAs), including state, community, and privately owned land, are key to efforts to halt and reverse the biodiversity crisis⁴ and we increasingly rely on them to guard against the worst effects of these threats. Yet despite their importance, a 2019 analysis of over 2,000 PAs representing 23% of the global terrestrial PA estate found that less than a quarter were adequately resourced in terms of budgets and staff.⁵

Although increased funding alone cannot guarantee improved outcomes for biodiversity in PAs, in the developing world, adequate funding appears to be a prerequisite for success, particularly in areas that face high levels of anthropogenic threats.⁶

For example, an analysis of lion numbers across Africa found that population densities of the species were highest in the PAs with the largest management budgets. As apex predators, lions rely on high prey biomass to achieve high density, and prey species require intact habitat to thrive. Strong lion numbers typically indicate thriving ecosystems and intact biodiversity. This analysis suggests that higher levels of funding, when well-utilized, lead to better biodiversity outcomes.⁷

With state budgets in most countries focusing on other priorities such as healthcare and education, alternative sources of sustainable financing for the management of PAs are crucial to their future survival and the biodiversity and climate benefits they confer.

In many countries tourism is the largest or only source of revenue generated by PAs and thus the primary source of funding for

the authorities tasked with managing these critical landscapes. In fact, a 2020 analysis of 240 PAs covering 40m hectares across seven countries in southern and east Africa concluded that about 80% of all internal revenue came from tourism.⁸

From a conservation perspective, lease and concession fees paid by tourism businesses generate revenue for conservation area managers and owners. In addition, many progressive tourism operators also provide additional support for resource protection, land management, ecological research, habitat restoration, and key species re-introductions.

As well as these benefits to biodiversity, the industry plays a profoundly impactful role in supporting communities situated in and around conservation areas. While direct employment in camps and lodges is the biggest economic contributor in these landscapes, many operators also work to empower people through developing local economies and supporting dedicated socio-economic programs.

Origins of the Fund

As we publish this report, it's hard to believe that it has been five years since the tourism industry collapsed as a result of COVID-19 travel bans, and conservation tourism businesses across Africa were forced to drastically cut costs in order to survive.

Reduced salaries and staff lay-offs meant local people who relied on their tourism jobs were faced with severe financial challenges – could not afford the lease fees they normally paid

to conservation management authorities, while the latter also lost the variable fees (park entry fees, bed levies) that are directly linked to visitor numbers.

As a result, authorities were forced to scale back on conservation management activities at the same time that threats were increasing due to economic pressure faced by people in the landscape.

Recognizing the resultant threat to conservation and local communities, TNC collaborated with ThirdWay Partners to establish the Africa Conservation and Communities Tourism Fund (“ACCT” or “the Fund”), an impact investment fund designed to make flexible working capital loans, at fair but affordable rates, to responsible tourism operators with camps in and around priority conservation areas. The Fund's initial objective was to help these businesses survive, and thereby enable them to work back up to their pre-COVID-19 contributions to conservation and communities.

From mid-2022 onwards, the industry experienced a relatively rapid and generally strong recovery in most regions of the continent. This shift meant the Fund was able to expand its focus and work to catalyze meaningful additional biodiversity and community benefits by supporting operators looking to grow the geographic footprint of their businesses in important conservation landscapes.

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IMPACT STRATEGIES & OBJECTIVES

The ACCT Fund was established with three primary impact objectives

<p>1.</p> <hr/> <p>To help restore and protect the conservation and community benefits that the tourism industry had been able to support before the COVID-19 pandemic</p>	<p>2.</p> <hr/> <p>To support conservation tourism operators as they seek to increase and improve their long-term support for conservation areas and the communities that depend on them</p>	<p>3.</p> <hr/> <p>To increase the resilience of conservation tourism operators to future external shocks</p>
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Based on the above objectives, TNC, acting as the Fund’s Conservation Advisor, developed a suite of Conservation and Community Outcomes (the “Outcomes”) to guide the desired impact of each of the Fund’s investments. Depending on the nature and circumstances of each transaction, TNC, in consultation with each tourism operator, and with guidance from the Fund’s Conservation Committee, designs a set of legally binding Conservation and Community (C&C) Covenants that seek to align the portfolio company’s activities with selected Outcomes (refer to Table 4 for the Outcomes being targeted in the current portfolio).

Typically, the Outcomes are targeted through one or more of the C&C Covenants agreed on for each transaction.

Impact Strategy: Bringing TNC’s conservation expertise to a market-based approach

The ACCT Fund is designed with the intent to activate significant, measurable impact for people, landscapes and wildlife, in support of TNC’s mission

<p>The Fund’s impact strategy seeks to address both immediate and long-term outcomes:</p> <p>DEFENSIVE OUTCOMES Restore and protect the outcomes that the conservation community, with support from the tourism industry, had been able to achieve pre-COVID-19</p> <p>CATALYTIC OUTCOMES Alongside a broader economic recovery, provide support for operators to increase and improve contributions toward long-term sustainability of communities and conservation</p>	<p>FINANCIAL FLOWS TO CONSERVATION →</p>	<ul style="list-style-type: none"> • Fees and voluntary contributions paid directly by the tourism operators to conservation areas and their conservation management teams
	<p>IN-KIND SUPPORT →</p>	<ul style="list-style-type: none"> • Staff and guest “eyes and ears” that supplement official patrols • Infrastructure development, such as roads and fire breaks • Habitat restoration • Contributions to conservation research
	<p>COMMUNITY DEVELOPMENT SUPPORT →</p>	<ul style="list-style-type: none"> • Jobs and salaries for community members • Demand for goods and services • Conduit for health and education programs • Channel for tourism-based philanthropy

At a Fund level, TNC and ThirdWay set five Sustainability Key Performance Indicators (KPIs)(Table 1) against which the overall impact returns of the Fund are measured. In some cases, part of the C&C additionality captured in these KPIs is a result of the Fund enabling an investment that would otherwise not have happened. For example, an operator did not have access to other funding sources to build a new camp. In such a case the Fund’s investment is aimed at generating additional lease fees being payable to a community conservancy or national park, thus improving the capacity of management to protect its land and wildlife.

For all ACCT’s investments, KPI Outcomes are enhanced through the C&C Covenants agreed with the operator. A common example of this is an operator committing to paying full lease fees (during the COVID-19 funding time) to conservancies or park authorities (Defensive Outcome 2) and increasing these over time as business improves (Catalytic Outcome 2). Similarly, an operator may commit to increasing local employment numbers back to pre-COVID-19 levels (Defensive Outcome 4) and increasing them over time (Catalytic Outcome 4).

For the more recent transactions (i.e. mostly supporting operators to build new camps or, where the impact case warrants it, invest in the upgrade of an existing camp), typical requirements include a voluntary contribution by the operator of a percentage of its revenue, as well as a Conservation and Community Levy charged to guests, to support conservation or community projects in the landscape, thus targeting Catalytic Outcomes 1, 2 and 3. In some cases, an operator may be required to establish a new local non-profit organization to channel these funds; this also serves as a mechanism for increasing philanthropic donations by guests.

The cumulative impact of the investments and C&C Covenants are aggregated across the portfolio and reported under the five KPIs, thereby adding a quantitative element to the broader Outcomes that the Fund aims to achieve.

TABLE 1. ACCT sustainability key performance indicators

Target Conservation/ Community Outcomes⁹	Performance Metric	Target Outcomes over the life of the Fund¹⁰
Employment	Number of staff retained	5,300
Community benefits from downstream flow of income from tourism employment	Number of community members reached	37,100
Total protected areas in which operators are active	Square kilometers of protected area	535,000
Direct financial flows to conservation landscape owners and/or managers	Value of annual payments	USD 31.5m
Direct contributions made to the socio-economic benefit of the community	Value of annual salary and non-salary flows to community benefit	USD 2.5m



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ACCT in 2024

The Story So Far

Conceptualized during the peak of the COVID-19 pandemic in 2020, the Mauritius-based predecessor of the Fund had its first close in May 2021, with an initial investment of USD 20 million from TNC. This was followed by a first close of the ACCT Fund in Luxembourg at USD 48 million in December 2021, before the final close at USD 70 million in April 2023. During the first two years of the Fund's life, it advanced much-needed liquidity financing to six tourism operators in Botswana, Kenya, and Tanzania. These loans all came at a critical juncture for these businesses. At the time, many operators were unable to pay their fees to conservation areas and were also forced to either reduce staff salaries or lay off staff. ACCT's funding helped our portfolio companies avoid or reverse these effects thus preventing further loss of revenue to conservation areas and safeguarding employment for local people.

Fortunately, and contrary to most expectations, the conservation tourism industry in Africa started a remarkable recovery

in late 2022 (though not equally strong in all countries, or even different areas within the same country), as the majority of source and destination countries lifted the travel restrictions that had been in place since early in the pandemic. In 2023, as the industry continued on its path to recovery, the Fund closed four new transactions, making investments in Kenya, South Africa, and Uganda.

In 2024, ACCT had its strongest year to date in terms of capital commitments and deployments, with eight transactions signed with operators new to the Fund and one follow-on loan to an existing portfolio company. Total capital committed during the year was USD 25 million, and the Fund also expanded its geographic footprint with first-time loans to operators active in Mozambique, Namibia, Zambia, and Zimbabwe. These were placed alongside two new loans into Botswana and Kenya.

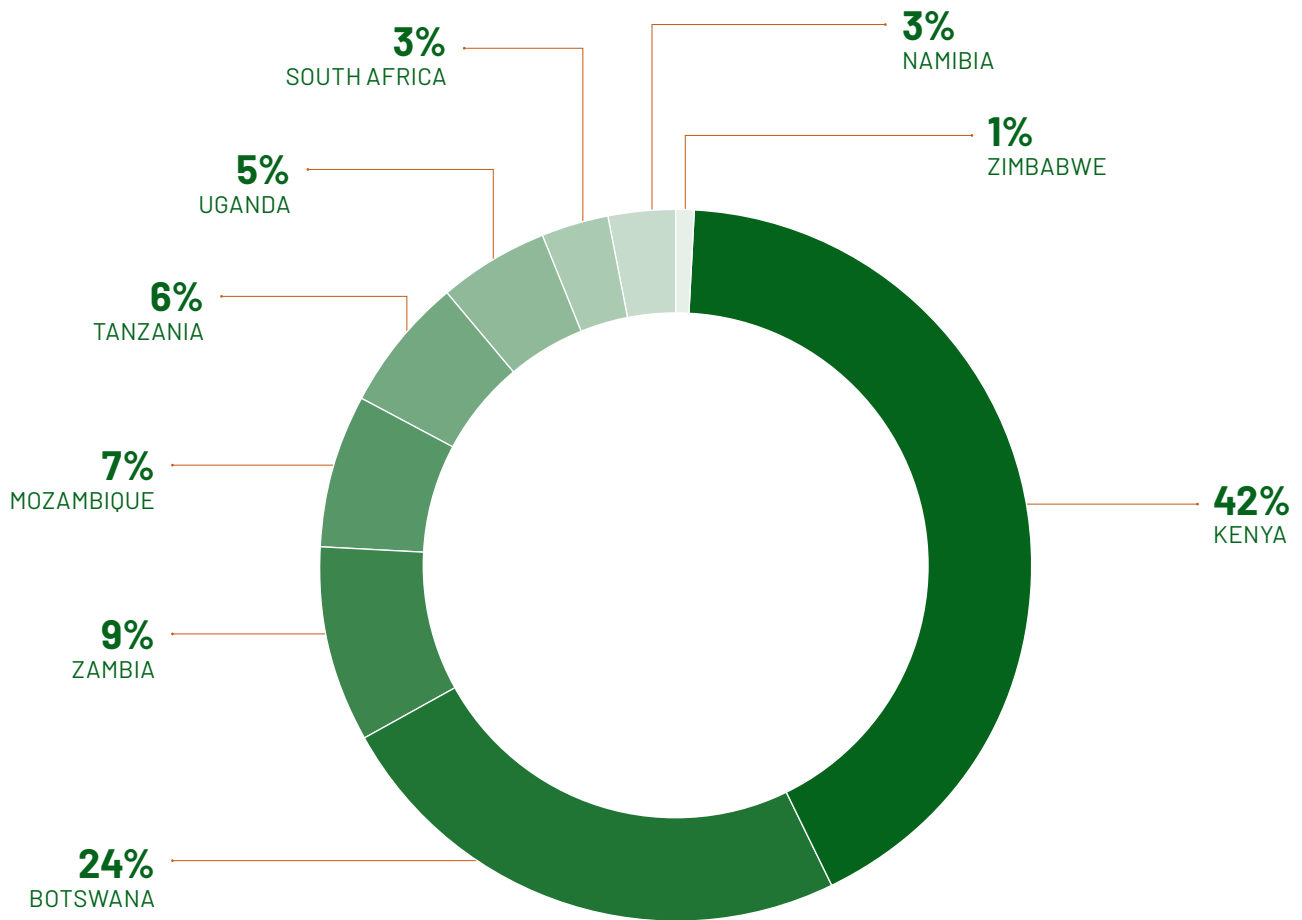
TABLE 2. Type and size (km²) of protected areas in which acct operators are active

Country	Community Conservancy	Community Concession	Private Conservancy	National Park/ National Reserve	Other	Total
Botswana		7,376		4,870		12,246
Kenya	1,119		364	1,510		2,993
Namibia	180					180
Mozambique				1,430		1,430
South Africa	77					77
Tanzania				66,725	8,094	74,819
Uganda				3,877	154	4,031
Zambia				31,164		31,164
Zimbabwe				14,651	1,029	15,680
Portfolio Totals	1,376	7,376	364	124,227	9,277	142,620

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Geographic Distribution of Committed Funds



Conservation and Community Covenant Compliance

Each time ACCT makes an investment, a suite of legally binding C&C Covenants are agreed upon with the operator. The operator is required to report against these Covenants on a twice-yearly basis. In 2024, all the ACCT portfolio companies, with one exception, met and, in most cases, exceeded the C&C commitments that they made to the Fund.

Environmental and Social Safeguards

In early 2023 the Fund finalised and published its Environmental and Social Management System (ESMS). This significant piece of work was led by TNC as the Conservation Advisor and completed in collaboration with Limited Partners KfW Development Bank

and the International Finance Corporation as well as third-party experts, and was also reviewed by USAID. The ESMS guides the Fund on what environmental and social (E&S) risks need to be taken into account when considering a new investment, how to evaluate the materiality of those risks, and how to mitigate them in partnership with the portfolio company.

Rigorous Environmental and Social Due Diligence is conducted for each potential investee. Any shortcomings identified are addressed with the operator through an Environmental and Social Action Plan, the Outcomes of which are included in the C&C Covenants of the legal agreement between the Fund and the operator.

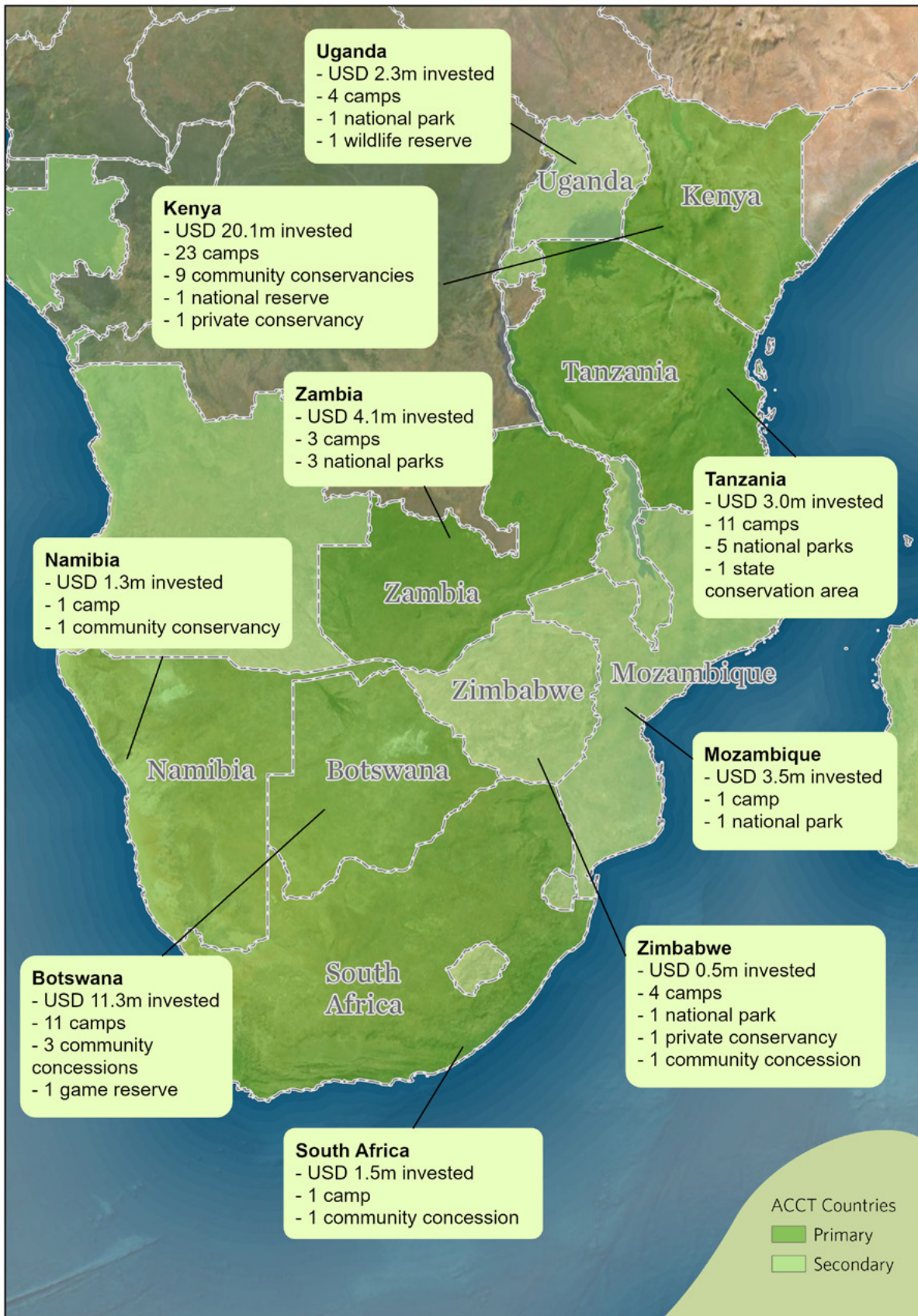


FIGURE 1. Countries and Conservation Areas where ACCT has invested to date.

Classic Zambia: Protecting Zambia's National Parks

At more than 5 million acres, Kafue is Africa's second-largest national park, and the oldest in Zambia. With the park at its core, the Greater Kafue Ecosystem (GKE) includes a further 9 million acres of Game Management Areas (GMAs), protected landscapes where local people cohabit with wildlife, and various conservation-compatible activities are permitted.

While Kafue's size is one of its greatest strengths, it also presents a challenge: protecting wildlife from threats such as poaching for the illegal bushmeat trade in such a vast wilderness requires significant resources. Unfortunately, the Department of National Parks and Wildlife (DNPW), tasked with managing the park, has historically faced significant financial constraints and, as a result, Kafue's wildlife populations have long been well below carrying capacity.

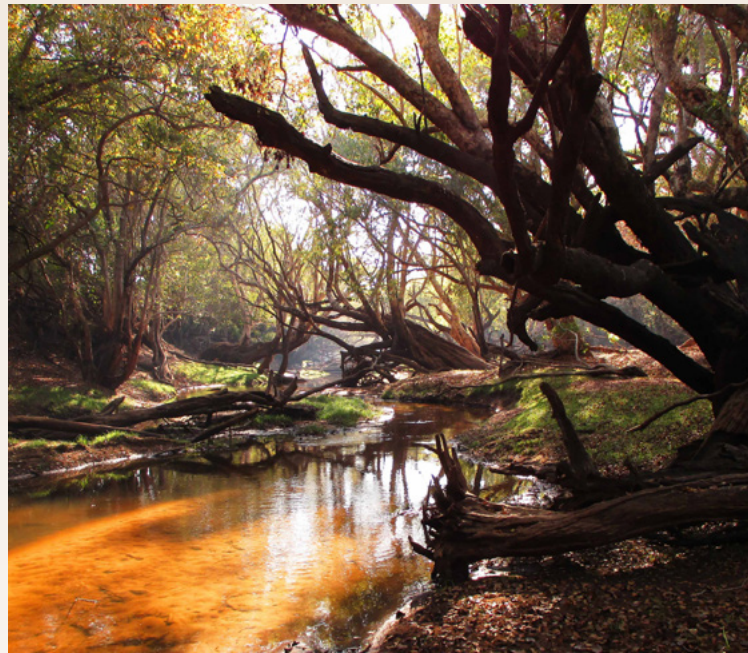
Guardians of the Wild: How Tourism Can Help Protect Irreplaceable Wilderness

In 2012, Phil Jeffery and Tyrone McKeith, two passionate young conservationists, were working for existing tourism operators in the park. Both had been visiting Kafue for much of their lives and witnessed the declining numbers of both herbivore and carnivore populations through illegal hunting—an observation confirmed by independent scientific research. Concerned about the future of this irreplaceable wilderness, they knew the best way they could make a difference would be to start their tourist camp and use it as a platform to provide financial and operational support to the park's management authority.

After much time, effort, and personal sacrifice, Musekese Camp, situated on the Kafue River in the northern half of the park, was born. By building in an area previously unused for tourism, the Musekese team immediately made it harder for poachers to hunt there without being detected. As the camp's occupancy grew it increased revenue and enabled further investment into conservation support. Buoyed by this success, in 2017 Musekese opened a second camp on the edge of the Busanga Plains, an area of prolific wildlife and spectacular scenery close to Kafue's northern boundary.

Launching Musekese Conservation

To increase their impact, in 2018 the team founded Musekese Conservation (MC), a local non-profit, through which they could channel funding from the tourism business as well as outside donors, thereby amplifying their positive impact. Today, MC funds the work of over 130 people, all hired from local communities. Key focus areas include resource protection support, animal desnaring, research and monitoring, fire management, women's empowerment and education.



During this period, MC collaborated with other NGOs to support the wildlife authority in its efforts to secure a number of priority zones through logistics and funding for patrol teams, desnaring of animals, and associated research activities. This “halo” approach held the line for wildlife in the park and slowly grew the amount of funding available for conservation management.

Introducing Classic Zambia

In 2021, during the COVID-19 pandemic, Phil and Tyrone merged their business with Tusk & Mane, a company founded by like-minded conservationists Luke Evans and Kyle Branch. The merger created a new entity, “Classic Zambia,” adding two camps in the Lower Zambezi National Park to the Kafue portfolio.

Then, in July 2022, after years of negotiation, a game-changing event occurred. Zambia’s DNPW signed a 20-year collaborative management partnership agreement with NGO African Parks, unlocking an enormous increase in funding and other resources for the management of Kafue’s invaluable landscape, and a new era for the park.

With growing confidence in the future of Kafue, Classic Zambia approached the ACCT Fund in 2024 for support to take over and rebuild a run-down camp in an area close to the original Musekese location. The rebuilt camp will create more jobs, generate more fees for the park, and increase revenue to Musekese Conservation. With African Parks’ taking over management of Kafue, the latter continues its work in two of the neighboring GMAs.

Along with the Kafue investment, Classic Zambia will also be using the ACCT funds to build a new camp in North Luangwa National Park, a spectacular wilderness in eastern Zambia with few tourism facilities that holds the country’s only black rhino population.

With the greatest diversity of antelope species of any park in the world, over 150 mammal and 515 bird species, magnificent rivers, and expansive woodlands, Kafue is a biodiversity treasure. As wildlife populations recover and tourism investment increases, there is hope that, with the support of operators like Classic Zambia, this priceless asset will one day generate enough revenue to sustainably fund its ongoing protection and management.

© CLASSIC ZAMBIA



CASE STUDY

Imvelo Safaris: Combining Conservation and Community

At 3.6 million acres, Hwange is Zimbabwe's largest national park and a critical piece of the Kavango-Zambezi Transfrontier Conservation Area ("KAZA"), an enormous landscape that stretches across the borders of five southern African countries. In the dry season, Hwange is home to over 45,000 African savanna elephants, almost 11% of the continent's remaining population. While these animals are one of the main reasons that more than 40,000 tourists visit Hwange each year, they also pose a significant threat to neighboring communities who live in villages like Ngamo, situated in the Mlevu Ward on the boundary of the park's southeast corner.

In this semi-arid region, elephants see crops planted by villagers as an easy source of nutrition, and many a household will lose its entire harvest to overnight raids by these intelligent pachyderms. In addition, communities face the threat of losing livestock to lions and spotted hyenas that also leave the park in search of easy pickings. While there are programs in place to reduce human-wildlife conflict levels, the vast area and elusive nature of the animals mean that many families still suffer financial and other setbacks every year.

Conservation Tourism and Wildlife Protection

In many places across Africa, this kind of conflict would lead to regular retaliatory killings of wildlife by local people. However, in villages like Ngamo, there are also positive impacts that arise from living so close to Hwange. Here, conservation tourism operators bring people from around the world to experience the park's magnificent wilderness and wildlife. By ensuring that benefits flow to the people of Ngamo, these businesses place a tangible economic value on the survival of each and every animal, and therefore an incentive to protect them.

Introducing Imvelo Safaris

Founded in the early 1990s, Imvelo Safaris is one of the oldest and most impactful of these businesses. For more than three decades and through all of Zimbabwe's political turmoil, co-founders Mark Butcher and Njabulo Zondo have worked tirelessly to support the people and conserve the wildlife of this region. As an ex-ranger and lifelong conservationist, Mark's skillset is perfectly complemented by Njabulo's passion, training and experience as a social worker with many years of service in rural Zimbabwe.

Imvelo owns four operational tourism camps in and around Hwange – two in the park, one in an adjacent forest reserve, and one on the land of the Ngamo community. Like all



tourism businesses, Imvelo was hit hard by the COVID-19 pandemic. However, with Zimbabwe taking longer than many other countries to recover, the owners approached ACCT for funding for refurbishing some of their existing camps. With tourism on the up in the country, in 2025 the company will build a new camp, also situated in the park, supported by a second loan from ACCT.

Camelthorn, the camp located on the community's land, is unique in Zimbabwe, as almost all protected land in the country where tourism occurs is either privately or government owned. By leasing land from Ngamo, Imvelo utilizes an alternative model, creating opportunities for local communities to derive additional rewards from conservation tourism.

Establishing the Community Rhino Conservation Initiative

In a groundbreaking move in 2022, Imvelo, in partnership with the people of Ngamo, established the Community Rhino Conservation Initiative (CRCI). Under this program, the company established a rhino sanctuary on the community's land bordering the Park, where they introduced two white rhinos, the first to grace Hwange's landscape in 20 years. In a world where poaching continues to threaten the future of Africa's rhinos, Imvelo went against the grain, giving full ownership of the animals to the community, while at the same time ensuring that the community receives the full benefits of the income generated by Imvelo guests visiting the sanctuary.

Fees and Opportunities

Each guest who stays at an Imvelo camp pays a USD 150 entrance fee to access the sanctuary, view the rhinos and meet the team that protects them, all of whom hail from the Ngamo community. Of the revenue generated by these

fees, 60% goes directly to the Ngamo community, 20% to the Rural District Council (a local authority that supports the people of the broader Mlevu Ward) and the remainder is used to cover the costs of the sanctuary, including paying salaries of local staff.

The community's income from the rhinos has already enabled them to make significant improvements in their lives. Amongst other projects, they were able to build a clinic with a maternity ward and hire a nurse, saving patients and pregnant women an 18km trip to the next closest facility as well as build new teacher cottages at the secondary school, improving living conditions and helping retain staff. Given the high value of rhino horn in illegal markets, the CRCI also trained and hired 50 people from the community as scouts to protect their rhinos. While this team is an essential deterrent, unsurprisingly, given that the animals are owned by the people, there have been no threats to their safety since the start of the project.

An added benefit of the program has been the electric fence around the sanctuary: because it also forms part of the boundary with the park, it has reduced the opportunity for elephants and lions to get into community land. People have started to plant crops in fields that were previously abandoned, assisted by irrigation from boreholes also funded with CRCI revenue.

As a result of these successes, the people of Mlevu, another village 20km down the park boundary, approached Imvelo to build a sanctuary on their land too. In September 2024, their request was realized when the next two rhinos were released into their new home.

With more villages lining up to participate in the CRCI, including a third sanctuary already mapped out, Imvelo building a new camp and Zimbabwe's tourism numbers improving, there is hope that the benefits for conservation and community will continue to grow.

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Sustainability KPIs

This section covers the impact performance of the current portfolio companies, aggregated from their C&C Covenants and quarterly impact reporting, against the five Sustainability KPIs of the Fund. If an operator was added to the portfolio during the reporting year, data are included from the date of the signing of a loan agreement. To date, the Fund has committed approximately 75% of its capital available for investments. However, some of the committed funding is for new camps that are being built, and these are expected to increasingly add to the Fund's impact returns in coming years. This must be taken into account when comparing FY2024 KPI performance against the hypothetical returns in Table 1. Employment numbers, salaries, local procurement, and variable conservation fees attributable to the existing portfolio are expected to increase significantly as new camps come online in 2025.

EMPLOYMENT

➔ **1,768** *(Number of staff retained)*

Direct employment is undoubtedly the single biggest socio-economic benefit for communities from the conservation tourism industry, as the remote areas where these camps are located rarely have other viable, sustainable job opportunities for local people. This KPI represents the aggregated average number of full-time employees based in all 48 operational camps that are held in ACCT portfolio companies for the 2024 reporting year¹¹.

COMMUNITY BENEFITS from downstream flow of income from tourism employment

➔ **12,376** *(Number of community members reached)*

This number represents a 7x multiple of the number of staff retained, a multiple that originates from a peer-reviewed research paper by Snyman (2012)¹². The author interviewed 193 employees of high-end conservation tourism businesses in Malawi, Namibia, and Botswana, covering a range of socio-economic indicators, amongst which was the question of how many dependents relied on the salary of the interviewee. The mean across the three countries was 7.42 dependents; for this KPI we rounded down to 7.

TOTAL PROTECTED AREAS in which operators are active

→ **142,620km²** (Square kilometers of protected area)

This KPI indicates the broader sphere of influence of ACCT portfolio camps across the conservation landscapes in the region. However, it needs to be interpreted with some caution, as it does not suggest that these camps are necessarily the primary contributor to the overall costs of the protection of these conservation areas. In some cases, where a camp is the only one in a protected area or the fees it pays comprise the majority of the management costs thereof, ACCT investment is certainly driving significant increases in funding for conservation management.

However, in other scenarios, an ACCT portfolio camp may be one of many in a much larger protected area, usually a National Park. In these cases, revenue contributions by ACCT-funded operators are supporting improved management of a portion of the protected area rather than in its entirety. Nonetheless, fees paid by these camps remain critical to the overall budgets of these parks, and losing these revenue streams can have knock-on effects far broader than just the local area of the camp operations. Table 3 gives a breakdown of this KPI by type and size of protected area.

DIRECT FINANCIAL FLOWS to conservation landscape owners and/or managers

→ **USD 13.6m** (Value of annual payments)

This amount represents the sum of both contractual obligations and voluntary contributions made by operators to the owners and/or managers of conservation areas for the year ended 31 December 2024. The former is usually in the form of fixed and/or variable lease fees, concession fees, conservancy fees, and park fees. These are all versions of payments for land use rights albeit with different names in different countries and/or types of conservation areas. Voluntary contributions represent Corporate Social Responsibility-type (CSR) support that operators provide to conservation management, usually through donations to management authorities or local NGOs that support the protection of these areas. In many cases, the operator has agreed with ACCT, through their loan agreement, to a minimum voluntary contribution that they will make each year. This usually takes the form of a percentage of revenue, or a Conservation and Community Levy collected from guests. Approximately 7% of this KPI comprises voluntary contributions for the portfolio in 2024.

DIRECT CONTRIBUTIONS MADE to the socio-economic benefit of the community

→ **USD 12.1m**

(Value of annual salary and non-salary flows to community benefit)

This KPI represents the total direct economic value flowing to communities from ACCT camps for the year ended 31 December 2024. Salaries and wages comprise USD 9.3 million of this amount, and of that, USD 5.8 million is considered to be local salaries – i.e. paid to staff who live within 50km of the camp or protected area. About USD 2.3 million of the reported contribution came in the form of local procurement (same definition), while a further USD 0.5 million is from voluntary CSR-type contributions to socio-economic development projects.

Looking Forward

2025 looks to be an exciting year for the Fund. Most of the camps that were funded in 2024 will come online in this time, creating jobs and generating revenue for conservation and communities in critical landscapes.

The closing of the Fund's investment period in 2025 will mark a significant milestone, propelling the team into an exciting new phase. The focus will shift to actively monitoring the portfolio and collaborating closely with investees to further support them in increasing the positive impact they have on some of Africa's most biodiverse landscapes, the landscapes they call home. Together, we will continue to drive meaningful conservation impact, fostering economic growth and resilience across these vital regions.

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TABLE 3. List of defensive and catalytic outcomes that were agreed upon as objectives for each of the operators per the specific C&C covenants in their loan agreements.

Outcome		Kenya 1	Botswana 1	Kenya 2	Tanzania	Kenya 3	Kenya 4	Uganda	South Africa
DEFENSIVE OUTCOMES									
1	Existing conservation activities carried out directly by the tourism business are maintained at pre-COVID-19 levels (where it is appropriate to do so).	X	X	X	X	X			
2	Direct financial flows from the tourism business to the owners and/or managers of the conservation landscape are maintained at pre-COVID-19 levels	X	X	X	X	X			
3	Direct contributions made by the tourism business to the socioeconomic well-being of the community/communities are maintained at pre-COVID-19 levels (where it is appropriate to do so).	X		X	X	X			
4	Employment levels from the local community are maintained at pre-COVID-19 levels.	X	X	X	X	X			
CATALYTIC OUTCOMES									
1	The area under improved conservation management and protection is increased.			X		X	X	X	X
2	Direct financial flows from the tourism business to the owners and/or managers of the conservation landscape are increased above pre-COVID-19 levels	X	X	X	X	X	X	X	X
3	Direct contributions from the tourism business to the socio-economic well-being of the community/communities are increased above pre-COVID-19 levels	X	X	X	X	X	X	X	X
4	Employment levels are increased above pre-COVID-19 levels		X	X	X	X	X	X	X
5	Building business resilience to future exogenous shocks through expansion into other conservation-related activities.		X	X		X			

Endnotes

- 1 Lindsey, et al. Conserving Africa's wildlife and wildlands through the COVID-19 crisis and beyond. *Nature Ecology and Evolution* (2020).
- 2 IUCN ESARO (2020). Closing the gap. The financing and resourcing of protected and conserved areas in Eastern and Southern Africa. Nairobi, Kenya: IUCN ESARO; BIOPAMA.
- 3 WWF (2024) Living Planet Report 2024 – A System in Peril. WWF, Gland, Switzerland.
- 4 Watson et al. 2014. The performance and potential of protected areas. *Nature* 515: 67-73.
- 5 Coad et al. 2019. Widespread shortfalls in protected area resourcing undermine efforts to conserve biodiversity. *Frontiers in Ecology and the Environment* 17(5): 259-264.
- 6 Snyman & Bricker. 2019. Living on the edge: benefit-sharing from protected area tourism. *Journal of Sustainable Tourism* 27(6): 705-719.
- 7 Packer et al. 2013. Conserving large carnivores: dollars and fence. *Ecology Letters*. 16(5): 635-641.
- 8 IUCN ESARO. 2020. Closing the gap. The financing and resourcing of protected and conserved areas in Eastern and Southern Africa. Nairobi, Kenya: IUCN ESARO; BIOPAMA.
- 9 See Section 5 of this report for details on KPI calculations.
- 10 The Fund closed at USD 70m, of which approximately USD 63m is expected to be available for deployment; the balance is expected to be used to support fund expenses and management costs over the life of the Fund. We originally set targets based on a USD 50m fund size (see FY2022 Impact Report). The targets shown here are a linear extrapolation from USD 50m to USD 63m, the estimated capital available for deployment.
- 11 For working capital loans all the camps of the operator are taken into consideration for the Sustainability KPIs. For expansion projects, only the camps funded for expansion (or refurbishment) are included.
- 12 Snyman, S. L. 2012. The role of tourism employment in poverty reduction and community perceptions of conservation and tourism in southern Africa. *Journal of Sustainable Tourism*. 20:3. p395-416.