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ON A

GRANT FROM THE

GLOBAL ENVIRONMENT FACILITY TRUST FUND

IN THE AMOUNT OF SDR 5 MILLION

(US\$ 6.8 MILLION EQUIVALENT) TO THE

REPUBLIC OF BENIN

FOR A

NATIONAL PARKS CONSERVATION AND MANAGEMENT PROGRAM

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US\$ = CFAF 600

FISCAL YEAR

January 1 - December 31

ABBREVIATIONS AND ACRONYMS

| | |
|-----------------------|--|
| ABE: | <i>Agence Béninoise pour l'Environnement</i> (Benin Environment Agency) |
| AFD: | <i>Agence Française de Développement</i> (French Development Agency) |
| ARDET-Atacora: | <i>Agence Régionale de Développement du Tourisme de l'Atacora</i> (Regional Agency for Development of tourism in Atacora) |
| ASIP: | Agriculture Sector Investment Program |
| AVIGREF: | <i>Association Villageoise de Gestion des Réserves de Faune</i> (Wildlife Reserves Management Village Association) |
| CAS : | Country Assistance Strategy |
| CENAGREF: | <i>Centre National de Gestion des Réserves de Faune</i> (Wildlife Reserves Management Center) |
| FFEM: | French Global Environment Facility |
| GEF: | Global Environment Facility |
| NEAP: | National Environment Action Plan |
| NPCMP: | National Parks Conservation and Management Program |
| PGE: | <i>Projet de Gestion de l'Environnement</i> Environment Management Project |

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BENIN NATIONAL PARKS CONSERVATION AND MANAGEMENT PROGRAM

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BENIN NATIONAL PARKS CONSERVATION AND MANAGEMENT PROGRAM

Program Summary

| | |
|---------------------------|--|
| Executing Agency: | CENAGREF (Parks management organization) |
| Program cost: | US\$ 24.2 million |
| Proposed IDA Credit: | None |
| Proposed GEF Grant: | US\$ 6.8 million |
| GEF focal Area: | Biodiversity |
| GEF Country eligibility: | Convention ratified as of June 30, 1994 |
| GEF Implementing Agency: | World Bank |
| GEF Preparation cost: | PRIF Grant US\$244.000 |
| Government Financing: | US\$ 3.5 million |
| Financing Plan: | Contributions agreed during negotiations: GEF, European Union, France, Germany, the Netherlands |
| CENAGREF | US\$ 0.6 million |
| European Union | US\$ 4.75 million (Convention signed in June 1999) |
| Germany | US\$ 5.7 million (Convention with GTZ signed in September 1999, Convention with KfW approved in June 1999 and to be signed early 2000) |
| The Netherlands | US\$ 2.15 million (effectiveness scheduled for 1 st quarter of 2000) |
| France | US\$ 2.12 million (Formal appraisal scheduled in March 2000 and board presentation to French GEF in June 2000) |
| Program appraisal date: | June – July 1998 (multi-donor) |
| Negotiation Date: | October 1998 |
| Estimating starting date: | June 2000 |
| Program Duration: | 5 years |
| Environment Category: | B |
| Program description: | The grant would help finance the cost of: (i) improving national capacity for the management of national parks, including planning and monitoring, legal aspects, regional cooperation, training, communication, and ecological monitoring; (ii) strengthening the management of the Pendjari and W National Parks and cynegetic areas by improving infrastructure; supplying transport and other equipment; deploying staff; and promoting ecotourism; (iii) promoting village participation in parks conservation and management. |

CHAPTER 1 : Context of the program

A- The Program Area

The Program zone in Benin covers approximately 1.2 million hectares of protected areas, hunting reserves and buffer zones. This forms a significant part of a three country, transboundary wildlife management area which covers 2.5 million hectares in the north of Benin, in South West Niger and in South East Burkina Faso. Program activities will focus on: (i) the two main National Parks in the north of Benin, the Pendjari (266,040 ha, with a Biosphere Reserve created in 1986) and the "W" (563,280 ha), (ii) the wildlife management/hunting blocks adjacent to the parks: Djona (115,000 ha), Atakora (125,000 ha) and Pendjari Hunting areas (175,000 ha), (iii) the Siri Reserve, and (iv) the communities - villages and transhumant pastoralists living in the surrounding area.

The area is an important and extensive example of African Sudanian Savanna habitat and species diversity. Detailed and long-term ecological and biological surveys are yet to be completed. There is, however, little doubt that the transboundary ecosystem represents the single most important example of this habitat and biodiversity in the region. In addition to important plant, invertebrate and small vertebrate species, the area holds significant populations of large herbivores and their predators. Important threatened or endangered large mammal species include the cheetah, leopard, the korrigum antelope and spotted hyena. Hunting dogs once inhabited the area, but none have been seen in Benin since 1980. They do, however, still occur within the transboundary ecosystem. Over 270 species of birds have been recorded in the area.

The area is under threat from a range of problems, most of which are caused by anthropic factors. Population growth and the expansion of human activity into the area seriously affect the overall integrity of the ecosystem as well as the population of specific animal species. While it has not yet been possible to allocate priorities to each of the threats, their importance varies with both time and area. The chief concerns include: (i) the clearing of natural vegetation for cultivation, especially cotton; (ii) competition for pasture and water due to increased transhumant pastoralism following the Sahelian droughts of the 1970s and 1980s. There is also increasing threat due to recent *El Niño* activity and drought that has already started in Niger; (iii) increased, uncontrolled use of bush-fires for land clearing, pasture regeneration and poaching, (iv) an increase in commercial poaching and the use of automatic weapons; and (v) the degradation of village lands, a reduction of soil fertility and an increase of soil erosion due to the use of unsustainable agricultural practices.

These threats are exacerbated by a lack of trained human resources, available finance and suitable equipment to address them. Without a concerted, broad based multi-sectoral approach there is little doubt that these protected areas, the natural habitats and the plant and animal species will rapidly decline and a crucial part of Africa's unique biodiversity resource will disappear. The Government of Benin, working in coordination with Niger and Burkina Faso, has launched the National Parks Conservation and Management Program (NPCMP). It is intended to tackle these problems and reverse the current decline. Support will be given to local communities as the improvement of the management of the protected areas is addressed. This will ensure that the communities will be able to be more actively involved in protected area and buffer zone management and be able to manage their agricultural lands, pastures and woodlands in a productive and sustainable manner.

There is already a number of related development programs underway in the area, or on a national basis with an influence on the area. The National Natural Resource Management Project (PGRN) has, for a number of years, been financing pilot community-based wildlife and natural resource management operations in the communities adjacent to the protected areas. This has provided an important base for the preparation of the proposed program. A proposed Program for the Management of Forests and Adjacent Lands is under preparation that would capitalize on PGRN experience in forest management. The *Agence Béninoise pour l'Environnement*, another IDA-supported operation, has a range of components which will

support the planning, execution and monitoring of the protected areas program. The Government is also seeking donor support for its first Public Expenditure Review Credit, which is a wide ranging program which will eventually cover a number of sectors, including all aspects of rural development in Benin. The proposed NPCMP is an important step towards "mainstreaming" biodiversity conservation in Benin and in facilitating a coordinated response to key questions of land use and sustainable land management.

CHAPTER 2 : Program Development Objective

A- The Program Development Objectives:

The overall objective of the National Parks Conservation and Management Program (NPCMP) is to ensure the sustainable management and conservation of regionally and globally important biodiversity, and globally important fragile ecosystems in northern Benin. Failure to take decisive and coordinated action in the near future will result in the irreversible loss of globally important biodiversity resources.

The specific objective of the NPCMP is to establish sustainable wildlife management and biodiversity conservation capacity at the local and national levels. The program would develop sustainable wildlife management and conservation systems within the protected areas and wildlife management zones. At the same time, through developing an effective partnership with local communities, the program would enhance local access to the benefits of protected area and wildlife zone management and encourage ecologically sound and economically viable land use and production practices in the surrounding areas. The empowerment and human resource capacity increase of local populations is a crucial objective of the program.

The global environmental objective of the program is to ensure the long-term conservation of Benin's biodiversity in the face of competing economic pressures. Specific areas of concern include: (i) increasing the ecological security of regionally important species, including a number of endemics, through improved management of protected areas and associated zones; (ii) providing sustainable management of habitats and ecosystems which are of regional and global importance, and which are coming under increased threat from a range of anthropic factors; (iii) in situ preservation of genetic diversity, which includes species of ecological, cultural and economic importance in their natural habitat and within their natural range; (iv) supporting the involvement of local communities in the management of natural resources and the conservation of biodiversity; (v) supporting a coordinated response to the management of the tri-national transboundary ecosystem, and (vi) encouraging the sustainable management of fragile semi-arid ecosystems in a zone susceptible to desertification. Project design is consequently consistent with guidance from the Biodiversity Convention Conference of the Parties.

The operational objectives of the national program are: (i) to increase the technical and managerial capacity of the local population, the Wildlife Reserves Management Center (CENAGREF) and other partners in protected area and wildlife management; (ii) to enable the local populations to play a more active and profitable role in park and wildlife management; (iii) to support locally identified rural development activities in the areas surrounding the park and wildlife management areas in order to improve the quality of life for the local population and diminish pressure on the parks; (iv) to encourage sustainable systems of natural resource conservation, management and use; (v) to improve the flow of information and the level of education on biodiversity conservation at both local and national levels; (vi) to establish sustainable ecological monitoring systems, and support ecological research related to management; (vii) to improve basic infrastructure within the parks; (viii) to identify and prepare the steps for the establishment of an International Trust Fund to help finance future wildlife management biodiversity conservation operations; (ix) to provide support for effective donor coordination; and (x) to ensure effective program management, monitoring and evaluation.

The operational objectives for which GEF support is requested are: (i) to provide institutional support and capacity building to national institutions responsible for biodiversity conservation; (ii) to support training of staff working for partner agencies and to support improved communications; (iii) to support the studies and field trips necessary to improve scientific understanding of the ecosystems and identify and describe habitats, ecosystems and species of global importance; (iv) to design a financial mechanism capable of providing sustainable financial support to the conservation of biodiversity in Benin; (v) to support

transboundary cooperation for the conservation of biodiversity in the region; (v) to support the review and updating of legislation relating to National Park and Reserve Management, village and commercial hunting, the development of local institutions for the management of natural resources.

CHAPTER 3 : Strategic context

A- CAS objectives supported by the program: Report No. P-6303-BEN, May 11, 1994

The current Country Assistance Strategy (CAS) is defined in the Memorandum and Recommendation of the President on a Proposed Credit for a Rural Water Supply and Sanitation Project. The importance of preserving Benin's natural resources and environment is identified as one of the four objectives of the rural development strategy. However, no specific mention is made of biodiversity or improved national park management. More recently, the Bank has supported the development of a National Environmental Action Plan (NEAP), and the subsequent establishment of a National Environmental Agency (*Agence Béninoise pour l'Environnement*) to monitor the implementation of the NEAP. The management of national parks and the conservation of biodiversity is an important part of the NEAP so these activities can, for operational purposes, be considered to be part of the Bank's current strategy of support to Benin, even if not mentioned in the 1994 document. In addition, a component of the IDA funded National Natural Resource Management Project (PGRN) has been targeted at testing, community-based participatory wildlife and terroir management systems.

The Benin Country Team is having new series of discussions with the Government on updating the Country Assistance Strategy. It is expected that a new version of the Benin CAS will be finalized by April, 2000. It is clear that the Public Expenditure Review Credit (PERC) for which preparatory work is well advanced, will provide the focus for discussions of the strategy for the rural areas. The Ministry of Environment and Urban Development and the Ministry for Rural Development are to be included in the PERC, and it can therefore be assumed that the management of environmental concerns, and in particular natural resources, are being given high priority, and that the overall CAS will indicate biodiversity conservation and improved national park management as a component of the strategy.

B- Main sector issues and Government strategy:

Key issues in the sector are: (i) limited and poorly mobilized national technical capacity in park and wildlife management and limited national awareness of the importance of biodiversity conservation; (ii) widespread antagonism between local communities and the forest guards in and around the protected areas; (iii) currently weak national institutions and insufficient technical and managerial capacity in the sub-sector; (iv) inadequate scientific information on natural habitats, animal populations, endangered and endemic species, population numbers and ecological trends; (v) conflicting land use policies and practices in buffer zones - especially expansion of the area sown to cotton; (vi) inadequate control and management of transhumant pastoralism; (vii) poor control of transboundary poaching; (viii) a lack of rationalization of legislation and rules pertaining to park and wildlife management, and a lack of a harmonized national strategy for community-based land management. After several years of inattention, the Government has once again started to provide support for the conservation of biodiversity in Benin. CENAGREF has been created and is gradually being allocated staff and equipment. A National Conservation Strategy and Action Plans have been drafted with the help of IUCN, and will provide the main vehicle for ensuring effective donor coordination and priority setting.

These documents are based on a stratified approach to management which involves : (i) total protection in national parks; (ii) partial protection in reserves, hunting areas and wildlife management zones and (iii) community management of natural resources in the agricultural and range areas which form the buffer zones around the wildlife areas. The sustainable exploitation of the wildlife resource is encouraged through commercial and traditional hunting.

The strategy of the government concerning protected areas management is presented in a "letter of policy" (annex 10) that provides the guidelines for any actions to be undertaken in the context of the NPCMP.

This strategy is based on experiences of the last few years within the context of the PGRN, in the border areas of both parks and protected forests. The aim is to promote conservation and sustainable use of natural resources through participatory involvement of communities surrounding protected areas. This approach will ensure the commitment and involvement of the population to the conservation objectives of the program and allow for the sharing of the benefits related to parks activities between the local population, the State and the private sector. This requires the organization of the local populations into associations for which the institutional framework has already been defined. For instance, the Hunting Village Association (AVC) has been reorganized as the Wildlife Reserves Management Village Association (AVIGREF). Some of these associations already exist in a number of villages and have functioned satisfactorily within the context of the PGRN. The main problems arise in the areas where human pressure is so intense that some populations have already settled within the limits of the protected areas. These populations were often present even before the delimitation of the protected areas. In these cases, the strategy would be to combine incentives to resettle outside the area with agreement on limited activities in the protected areas.

A law regulating wildlife conservation in Benin has been drafted and adopted by Government and is expected to be passed within the coming months. It will provide the legal framework for the management of protected areas. This law provides: i) a legal definition of the buffer zones to clarify where local populations are entitled to settle, ii) a context to ensure that local populations will benefit from help of social and agricultural programs, and iii) a framework articulating restricted activities so as to help preserve the conservation in the areas. The law has not been passed yet.

C- Sector issues to be addressed by the program and strategic choices:

The NPCMP constitutes the catalytic phase of a long term program to improve biodiversity conservation and the quality of rural life in rural Benin. The program area includes a Biosphere Reserve, examples of near pristine Sudanian habitats, and an unknown number of endangered vertebrate, invertebrate and plant species.

Through a multifaceted, decentralized approach, the program will bring together a range of complementary activities which are aimed to tackle the basic issues and problems in this sector. These issues include: (i) weak institutional and legal capacity of CENAGREF and its partners to manage protected areas; (ii) insufficient authority, responsibility and capacity of local communities to become more effectively involved in biodiversity conservation, wildlife management and local development; (iii) lack of investment in improved infrastructure in national park, wildlife management zones and community areas; (iv) weak national awareness and international cooperation in biodiversity conservation; (v) the conflicting legal texts and regulations related to wildlife management; (vi) lack of sustainable financial support for biodiversity conservation; and (vi) insufficient scientific and ecological monitoring capacity.

The use of a range of strategies in different geographical areas will enable a flexible, but focused response to key issues. This approach will facilitate total protection in the parks, rational use of wildlife in the wildlife management zones, support for community-based rural development in the village areas and the mobilization of local human resources to support the implementation of activities at all levels.

Through the program, biodiversity conservation and wildlife management will be "mainstreamed" into the country's overall rural development portfolio. It will also provide a focus for key land use issues.

CHAPTER 4 : Program description summary

A- The logical framework:

The objective of the program is the conservation of natural resources within the Pendjari and W of Niger National Parks. The success of this objective will be based on the following six results: (i) completion and implementation of a strategy for conservation and sustainable management of natural resources in protected areas and their border areas; (ii) reduction in the human pressure of the populations on the Parks; (iii) eco-tourism developed within the protected areas; (iv) satisfactory performance of CENAGREF; (v) participation of local populations in the management of the Parks; (vi) biodiversity knowledge is strengthened is available and the Management Information System operationalized.

B- The Components:

The content of the NPCMP consists of 3 components and various sub-components as follows:

| Components | Sub-components | Indicative costs US\$ million | GEF financing US\$ million |
|--------------------------------------|--|----------------------------------|-------------------------------|
| Common actions at the national level | ♦ Program Management (planning and monitoring) | 1.13 | 0.80 |
| | ♦ Support actions (on legal aspects, regional cooperation, training, communication, and ecological monitoring) | 2.41 | 2.05 |
| Pendjari complex | ♦ Park and cynegetic areas management | 6.16 | 1.05 |
| | ♦ Sustainable tourism and hunting | 1.68 | 0 |
| | ♦ Actions with villagers : | 3.12 | 0.02 |
| | ▪ Sustainable development of Siri area ▪ Actions on Tanguieta - Porga and Tanguieta - Batia axes | | |
| "W" complex | ♦ Park and cynegetic areas management | 7.26 | 1.9 |
| | ♦ Tourism and hunting | 0.99 | 0 |
| | ♦ Actions with villagers | 1.48 | 0.91 |
| Total : | | 24.24 | 6.76 |

Table 1 – Components of the program

Program Management. The establishment of CENAGREF as an effective, operational organization capable of supervising the implementation of the national program will require additional office space, equipment, vehicles and material, and support for key operating costs. The program will support the establishment and operation of a Monitoring and Evaluation System which would track the program's execution and determine the impact of the different components.

Support actions. This sub-component consists of the following support actions: (i) consultant services and studies for the design and implementation of a trust-fund that would ensure the program sustainability; (ii) training for CENAGREF staff in other African countries and scholarships to strengthen the capacity of national staff; (iii) ensuring regional cooperation through coordination, organization of regional workshops and consultant services for providing decision-makers with relevant information and recommendations; (iv) enhancing Information, Education and Communication (IEC) activities through the organization of workshops for increasing awareness of biodiversity issues, use of rural radios for disseminating information, development of cultural activities in border villages and use of didactic materials for community level education efforts; (v) institutional support for revising legal documents relevant to protected areas management, ensuring decentralized action of CENAGREF and developing participatory approach as at the local level; (vi) setting-up a management information system for managing the parks with particular attention paid to the geographical aspects of the information (GIS capabilities); (vii) ecological monitoring for the implementation of an adapted environment information system (EIS), organizing surveys and studies for collection of ecological information and training the national staff.

Pendjari complex. Park and cynegetic areas management. This sub-component will focus on providing the decentralized unit in Tangueta with the required equipment and staff. Each of the 2 sections consists of: one chief, 6 officers from CENAGREF and 9 villagers. Each section will need to have access to appropriate vehicles (motorbikes and bicycles) and equipment (GPS and radios). At the management level, the staff will consist in a director for the whole complex, 3 associates, 2 international experts and 2 national experts, and the appropriate support staff. The sub-component will also provide the unit with required office space. Eventually, the construction, repair and maintenance of paths will be financed through this sub-component.

Pendjari complex. Sustainable Tourism and hunting. This sub-component will be divided as follows: (i) hotel infrastructure with the construction and restoration of rooms; (ii) tourist infrastructure with the construction of watchtowers for wildlife observation and paths for tourism purposes, the installation of signs for tourist orientation; (iii) organization and promotion of a commercial campaign through the formulation of a strategy.

Pendjari complex. Actions with villagers. Actions will be implemented in two different areas: (i) in the Siri area, the sub-component will finance staff to work with villagers by supporting the unit in its operating costs (needed equipment for didactic purposes). It will eventually support the organization of workshops; (ii) in the Pendjari area, the sub-component will finance socio-economic studies, training seminars for villagers, support institutional organization in associations, and funding of social micro-projects.

"W" complex. Park and cynegetic areas management. This sub-component will focus on providing the decentralized unit in Banikoara with the required equipment and staff. The staff is organized in 4 sections each with one chief, 6 officers from CENAGREF and 9 villagers. Each section will have to be equipped with the appropriate vehicles (motos and bicycles) and equipment (GPS and radios). At the management level the staff will consist of a director for the whole complex, 3 associates, 2 international experts and the appropriate support staff. The sub-component will also provide the unit with required office space. Eventually, the construction, repair and maintenance of paths will be financed through this sub-component.

"W" complex. Sustainable tourism and hunting. This sub-component will be divided as follows: (i) hotel infrastructure with the construction and restoration of rooms; (ii) tourist infrastructure with the construction of watchtowers for wildlife observation and paths for tourism purposes, the installation of

signs for tourist orientation; (iii) organization and promotion of a commercial campaign through the formulation of a strategy.

“W” complex. Actions with villagers. In the W area the sub-component will finance socio-economic studies, training seminars for villagers, production and dissemination of didactic materials, and the development of a social fund for demand-driven micro-projects.

More details are available in Annex 2 - Project description.

C- Key policy and institutional reforms supported by the program

The actions undertaken in the context of the program will follow the guidelines provided by the “letter of policy” that has been formally endorsed by the Government (see annex 10). This letter will ensure government commitment to conservation and sustainable use of natural resources through participatory involvement of populations living in communities adjacent to protected areas. Implementation of this policy will encourage surrounding communities to organize themselves in associations. Specifically, the letter of policy provides for the sharing of benefits from tourism (a growing percentage of entrance fees to parks and hunting fees would be shared with villagers, as shown by the corresponding performance indicator in annex 1) as well as increased employment opportunities for villagers relating to park management activities.

As suggested in the policy statement (annex 10) a particular attention will be paid to the harmonization of legislation with the two neighboring countries (Niger and Burkina Faso) concerned by the parks. This will be facilitated by the regional approach developed by the European Union in the context of the program.

The NPCMP also supports the institutional reform of the administration in charge of National Parks Management. The CENAGREF is set to be autonomous from the government and its action would be decentralized. The local directors of the two parks will be at the same level as the technical director working in Cotonou.

D- Global and National benefits and target population

The program will make a significant global contribution to the conservation and sustainable management of 2.5 million hectares of threatened, but still relatively intact, African Sudanian ecosystem and the habitats and biodiversity. The three-country, transborder ecosystem represents the largest contiguous area of this type of habitat in Africa.

On a national level, the program will result in a significant contribution to the short and long term objectives of the National Program for the Conservation and Management of Protected Areas in Benin. It will specifically result in improved management and conservation of 1.2 million ha of protected areas, wildlife management areas and buffer zones, and will ensure the conservation of important plant and animal species, some of which are endemic and would be conserved within their native habitats.

The capacity of national technicians, local populations and local organizations will increase as they acquire skills and knowledge to enable them to manage the natural resources of the area in a sustainable manner. The general population of the country will become more aware of the importance of wildlife and biodiversity protection. This will be an important contribution to the implementation of the National Environmental Action Plan.

The local population will become more involved, both financially and personally through greater involvement in park management. They will also receive more direct and indirect benefits from the parks and the wildlife management zones through employment and revenue from commercial hunting. Their quality of life will be improved through the implementation of community-based rural development activities, which would include socioeconomic investments as well as activities designed to improve natural resource management to ensure a stable base for agricultural production.

Current estimates suggest that in the eight “*sous-préfectures*” around the wildlife areas there are approximately 250,000 people, and of these about 140,000 people inhabit the 27 villages immediately adjacent to the protected areas and wildlife management zones.

While a small number of hunters will have a temporary reduction in income through the improved control of poaching, alternative sources of income will more than compensate for these losses: these sources of income are derived from the revenues from commercial hunting in the cynegetic zones, employment of villagers for controlling the parks with the sections of CENAGREF, sharing of revenues generated by the tourism, and social investment in the buffer zones (training for agricultural intensification).

E- Institutional and implementation arrangements:

Overall responsibility for the planning, implementation and monitoring of the program lies with CENAGREF, the National Center for Wildlife Management created in 1997 which is based in Cotonou. CENAGREF is an autonomous body linked to the Ministry of Rural Development. Management of the sub-programs of NPCMP will be decentralized to units based at Banikoara (“W” complex) and Tanguieta (Pendjari Complex) with a secondary post at Karimama (“W” complex) and outposts at Batia, Porga, Arly and Bondjagou (Pendjari complex) and at Konkombri, Koabagou, Kérérou, Sampeto, Karimama, Monsey, Gorge de la Mékrou and Alfakoara (“W” complex).

The organization chart of the CENAGREF is as follows :

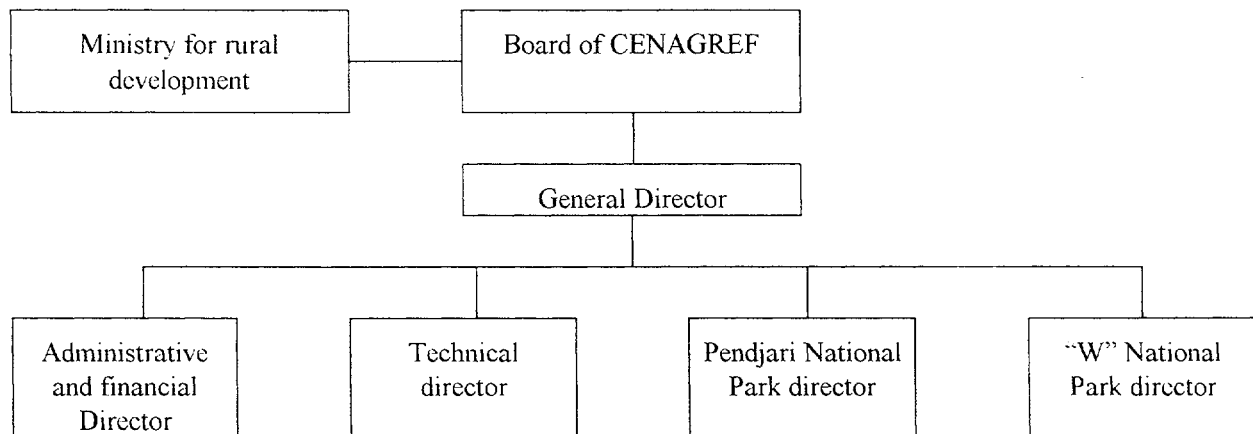


Table 2 – Organization chart of CENAGREF

The important characteristic of the above chart is that it ensures the decentralization of the responsibility to a more operational level. The local directors of the National Parks will be given the same level of responsibility as the directors in Cotonou. More precisely, the directors of the National Parks will be in charge of the annual planning and the monitoring of the activities in their Parks. A bank account dedicated to the financing of operating costs will be under their direct responsibility. A national consolidation of the annual planning and of the monitoring and evaluation data will be ensured by the technical direction in Cotonou.

The selection and recruitment of staff of CENAGREF will be based on an open competitive process. Satisfactory procedures have been agreed upon and incorporated into a ministerial decision (“*arrêté*”) and into the operating manual. In addition, there is agreement with Government that the positions of Director General and Directors of CENAGREF will be kept filled with employees with experience and qualifications satisfactory to all participating donors.

To the extent possible, execution of specific tasks will be contracted to local consultants, NGOs, community and professional groups and other private sector operators. In particular, village level

development activities to be carried out in areas surrounding the parks will be managed by autonomous units and not by CENAGREF's regular services. CENAGREF's main role will be in planning and coordination of financial management and accounting, monitoring, evaluation and reporting. CENAGREF would also retain overall responsibility for anti-poaching activities and controlling access to protected areas in accordance with the current legal texts. While local communities would be actively involved in supporting this task, the legal responsibility rests with CENAGREF.

Some of the activities directly related to tourism development (e.g. promotion, lodging, roads, watchtowers) would be funded under a tourism development project (French financing) implemented by ARDET, the Regional Association for the Development of Tourism in North-Benin. CENAGREF would delegate responsibility to ARDET for the implementation of those such activities that fall under CENAGREF's mandate, through an appropriate written agreement (Convention).

The coordination function of CENAGREF will be important, as there are a number of donors and other agencies becoming involved in biodiversity conservation in the north of Benin. Strong leadership and effective coordination by CENAGREF must continue to avoid duplication and the dissipation of effort and resources. Implementation of the program will be overseen by a National Technical Coordination Committee.

The European Union funded Regional Cooperation Program will be managed by a Tripartite Commission, based in Ouagadougou. This commission has had experience with transboundary cooperation between Niger, Burkina Faso and Benin through a former program financed by the European Union. A number of meetings have been held between high level officials to discuss the details of how they would like Regional Cooperation Program to work. The new program will be primarily supported by the European Union. National Coordination Centres will be established in both Benin and Niger.

CHAPTER 5 : Program rationale

A- Program alternatives considered and reasons for rejection:

There are currently no proven alternative strategies for sustainable biodiversity conservation in sub-Saharan Africa. Translocation of endangered species to zoos or better protected areas have not been successful. They have only superficially addressed the problem for a few of the larger, more important - and usually more charismatic species. Ex situ conservation is not a valid solution for habitats, ecosystems and landscapes. Past attempts to manage protected areas in West Africa by enforcement and the repression of local communities settled around the protected areas, have generally been unsatisfactory and unsustainable. These alternatives have been expensive, difficult to implement over such vast areas and depend on substantial budgetary support from central government.

B- Major related projects financed by the Bank (completed, ongoing and planned).

| <u>Sector issue</u> | <u>Bank-financed projects</u> |
|--|--|
| National Environmental Policy | Environmental Management Project (PGE) |
| General environmental information, education and communication | Environmental Management Project (PGE) |
| Land Use Policy | PGE, PGRN, PNSA |
| Community-based rural development and natural resource management capacity and investment | Natural Resource Management Project, (PGRN) and Agricultural Services Project (PNSA) |
| Community involvement in forestry, soil and water conservation, hunting, control and park management | PGRIN |
| Community-based wildlife and natural resource management in other parts of Africa | A series of Projects financed by IDA and GEF including, Cote d'Ivoire, Niger, Mali, Burkina Faso and Kenya |
| Labor intensive rural infrastructure | AGETUR |

Table 3 – Major related projects

C- Lessons learned and reflected in proposed program design:

The four most important lessons to be drawn from past experience are: (i) the need to have clear and supportive national policies, (ii) the need to change the role of public institutions and to greatly increase the participation of local communities, local professional organizations, NGOs and local consultants (iii) the importance of directly involving the population in the preparation of the projects (several communities in the proposed program area have had too much "participation" and now insist on seeing results on the ground, and (iv) the importance of ensuring that participating populations obtain tangible benefits directly, and obviously, linked to program activities. These lessons have been incorporated into program design and

will also constitute an important part of the policy and implementation discussion for the development of other agricultural sector investments (PERC).

D- Indications of borrower commitment and ownership:

During 1994 and early 1995 there was significant progress with project preparation. However, during parts of 1995 and 1996 there was little evidence of significant borrower commitment and ownership of either the overall national program or the proposed GEF-funded project. Limited, but technically important, pilot operations on community-based natural resource management were conducted in the project areas under the IDA-financed natural resource management project (PGRN). During this period, however, there was little progress with the establishment of the new national wildlife management institution, CENAGREF.

More recently there has been substantial progress. Following the publication of Decret No 96- 73 of April 2, 1996, CENAGREF has started to play an active and increasingly stronger role in the development of a national program and donor coordination. The Arrête No 024/mdr/dc/cc/cp of 31st January, 1997 established the operational rules for CENAGREF. In August 1997, CENAGREF circulated a draft proposal for the National Program for Protected Area Conservation and Management. An action plan for the final preparation of the National Program has been prepared which includes national discussion on key policy issues such as land use in the buffer zones, bush-fire management, harmonization of community-based rural development strategy and the participation of local communities in the conservation of biodiversity.

Interest in the wider issues of sustainable environmental management emerged in Benin at a national level following the drafting of an initial National Environmental Action Plan in 1993. This was followed by the creation of the *Agence Béninoise pour l'Environnement* 1995. A National Parks Conservation and Management Action Plan was prepared in 1997 as well as a review of the current legislation.

E- Value added of Bank support:

World Bank support has been helpful in the development of the national protected areas conservation program and the proposed GEF project in a number of ways. First, through working with the Ministry of Rural Development and partners in the donor community on the development of the Agricultural Sector Investment Program it has been possible to ensure that the principle of biodiversity conservation, the related policy issues and a coordinated investment program become mainstreamed into the national strategy for rural development. Second, through financing, pilot operations of PGRN at the community level the Bank has contributed to the development of a growing national capacity in the methodology and management of *gestion des terroirs* operations. Third, by monitoring closely - but not intervening independently - during the hiatus of 1996 the Bank has helped reinforce the importance of national ownership and leadership in the field. This helped ensure that temporarily, weak national leadership was not replaced by external and unsustainable interference. Fourth, the Bank has been able to facilitate the exchange of operational information between Benin and other countries in the sub-region working on similar projects. This has both provided an exchange on new ways of tackling, certain problems and reinforced locally developed solutions.

F- Rationale for GEF support:

The project will finance both the incremental costs of biodiversity conservation and improved land management of fragile semi-arid ecosystems susceptible to degradation and desertification.

Benin is launching an ambitious and timely national program to improve the management of its national parks (including a Biosphere Reserve), to protect natural habitats and species, to conserve biodiversity and to involve the local population in as many of these activities as possible or prudent. Different donors will support certain site-specific activities within clearly defined zones. On their own, however, these

investments will neither be sufficient to resolve local problems within a particular wildlife area, nor be effective at ensuring a sustainable response to the challenges currently facing Benin's biodiversity. At the same time, the sustainability of any conservation effort will depend on institutional and human capacity, building and the rationalization of policies and legislation. Additional, complementary support is therefore required to enable a sustainable and comprehensive national program to be implemented and maintained. This is the only way in which the conservation of this complex and globally important ecosystem and its overall biodiversity can be assured.

GEF financing will be essential to ensure that international and national priorities, highlighted by the NEAP and the National Conservation Strategy, become operational realities. The project will produce significant global benefits from enhanced conservation of seriously threatened and globally significant ecosystems, habitats and species. On the other hand, the national benefits arising from the project in the short term will be relatively limited and focused particularly on benefits to local populations, improved natural resource management and rural infrastructure - which are unlikely to be financed by the government without the focus on biodiversity conservation. Furthermore, the interest of GEF in supporting the national program has encouraged the participation of other donors and acted as a catalyst in attracting supplementary finance.

By financing the incremental costs of this national Program, GEF's contribution would strengthen long term sustainability of effective management of the resource, reinforce the local capacity necessary to implement the task and secure the support of local populations for the sustainable conservation of biodiversity. Furthermore, the participation of GEF in the national program would provide essential, non-partisan support for CENAGREF's leadership and coordination responsibilities.

G- GEF Operational Strategy and Program objectives addressed by the Project:

Benin ratified the Global Convention on Biodiversity June 30, 1994. The proposed project will provide a vehicle for the implementation of the principles of the convention through the promotion of biodiversity conservation and the sustainable use of natural resources. The program therefore represents an important step in the implementation in Benin of GEF's Operational Program #1, focused on biodiversity conservation in arid and semi-arid ecosystems.

The proposed program will provide an operational response to key elements of GEF's fundamental mission by supporting international cooperation for providing new and additional grant funding to meet incremental costs of conserving biological diversity, and tackling land degradation in an area susceptible to desertification. The proposed program effectively responds to a number of key elements in the GEF Operational Strategy and is consistent with COP guidance. This includes: (i) the in situ conservation and sustainable use of critical ecosystems and threatened endemic species, (ii) support for active involvement of local communities as managers and beneficiaries of improved natural resource and biodiversity management, (iii) the promotion of conservation and sustainable use through capacity building, economic incentives and alternative livelihood opportunities, and (iv) the sustainable management of fragile semi-arid ecosystems susceptible to desertification.

The program respects the strategic considerations of (i) being consistent with both national and regional initiatives, (ii) having the potential of being socially and environmentally sustainable, (iii) being complementary, to traditional development funding, and (iv) of working towards the sustainability of global environmental benefits.

CHAPTER 6 : Summary program analysis

A- Economic analysis

The total population living in the program area is estimated to be about 250,000 persons in 115 villages. About 140,000 people inhabit the 27 villages immediately adjacent to the protected areas and wildlife management zones. Subsistence agriculture (staple crops are millet, sorghum, maize, fonio and yam) is the main economic activity, and cotton is the principal cash crop cultivated particularly in the Borgou department. In 1994, in the Borgou Department, in the W park surrounding area, over 67.880 ha were being cultivated, of which about 22.045 were planted in cotton.

Populations in the program area are amongst the most disadvantaged and deprived in the country. According to several studies, more than 50% of the population of Atakora and northern Borgou fall below the poverty line compared with a national average of 15%. For example, according to the very limited available information, yearly average household revenue in the program area can range from less than \$35 to \$350, but an income survey in Tanougou shows that 50% of the population have an income lower than \$35, 40% have an income between \$35 and \$85 and 10% have an income over \$85.

Benin legislation on the exploitation of resources in protected areas is quite restrictive. Communities bordering protected areas are denied any right to hunt, to fish and to cultivate in these areas; permission must be requested in order to harvest forest and savannas minor products. These restrictions oblige farmers to modify traditional agricultural practices; hunters to renounce their traditionally important economic and social activities; and pastoralists limit their periodic traditional movements.

Over the last decades, communities settled along the borders of the national parks have been forced to change their life-styles. Thus, protected areas have been perceived to contribute to their problems, which include lack of land, lack of resources, conflicts between farmers and herders, etc..

The NPCMP intends to establish sustainable wildlife management and biodiversity conservation capacity at local and national levels by developing durable wildlife management and conservation systems within the protected areas and wildlife management zones. By developing effective partnerships with local communities, the program would enhance local access to the benefits of protected areas and wildlife zone management and encourage ecologically sound and economically viable land use and production practices in the surrounding areas. Thus, the program would change the attitudes of neighboring populations towards the protected areas.

Apart from the classic benefits of such a program, inter alia, the protection of a globally-significant but threatened biodiversity of the ecosystem of the northern Benin, the present analysis rationalizes of the program by outlining the program benefits which would accrue to the rural communities who are the primary stakeholders. The success of the program depends to a great extent on changing the attitudes of these stakeholders towards the parks.

The proposed program is built upon the participatory management techniques which have been tested by the Natural Resources Management Project (PGRN). Costs imposed on the local populations will be reduced through de facto compensation through increased employment opportunities as trackers and guides, access to benefits from improved park management and through community-based development programs.

Program benefits accrued to the local populations

The revenues generated by the management of the parks include direct proceeds collected by the public organisms (on eco-tourism, hunting permits and trophy fees, etc.) and indirect incomes generated by eco-tourism and local economic activities. Currently, the management of these revenues is not particularly profitable to the local populations. As a result of the participatory approach to be adopted by the program,

benefits generated by activities in the protected areas will be shared among the local populations, the state and the private sector. Employment of local villagers in the anti-poaching parks patrols of CENAGREF, and the development of incentives for sustainable rural activities within the buffer zones are also income generating sources for the local populations.

| | 1994-95 | 1995-96 | 1996-97 | 1997-98 |
|-------------------------------|-----------------|-----------------|-----------------|------------------|
| Number of viewing tourists | - | - | 2,586 | 2,516 |
| Number of cynegetic tourists | 26 | 20 | - | 115 |
| Ecotourism revenues | - | - | \$16,000 | \$29,500 |
| Cynegetic activities revenues | \$13,000 | \$23,000 | \$8,500 | \$73,000 |
| Total | \$13,000 | \$23,000 | \$24,500 | \$102,500 |

Source: season reports, CENAGREF

Table 4 - Situation of ecotourism in the Pendjari and "W" Parks (rounded estimates)

Eco-tourism has steadily increased in the Pendjari park. Estimates suggest that about 2,500 to 5,000 tourists visit the park of Pendjari a year, mostly expatriate residents of Cotonou or Ouagadougou. It should be noted that as there is no infrastructure, no management and no protection in the W park, except in the Alfakoara. There are very few organized tourism activities in these areas, and no available information on the few tourists who visit Alfakoara. Given that under the program, tourism infrastructure will be improved, it is expected that the number of tourists visiting both parks would increase. In a fully operational stage, it is expected that 5,000 to 10,000 tourists a year will visit both parks. This assumes that proposed actions to attract tourists are correctly implemented, and CENAGREF and ARDET work closely together.

On the basis of this increase in tourist visitation, tourism revenues could be in the range \$60,000-120,000 annually. Assuming improved conditions, hunting activities could bring in additional annual revenues of about \$50,000. Therefore approximately \$110,000-170,000 could be generated through tourism (accruing to CENAGREF). Depending on the outcome of the negotiations between CENAGREF and local populations organizations, the revenues from tourism activities accrued to local communities could amount to \$55,000-90,000 annually.

Another source of income for the local populations is the employment generated by the rehabilitation and better management of the parks. Total income from new employment is estimated to reach \$18,000 annually. Local populations would also benefit from sale of game meat. Assuming about 10 tons of game sold on average at \$1/kg, this would amount to about \$8,000 annually.

Altogether, it can be expected about \$80,000-110,000 annually could accrue as direct benefits to the local communities. Indirect benefits would come from the development of local rural development activities. Anticipated revenues to CENAGREF and ARDET could amount to \$85,000 and \$250,000 respectively in direct revenues using a high hypothesis, and \$55,000 and \$125,000 using a low hypothesis. Of course, CENAGREF is a public institution whose primarily objective is the conservation of the parks, while ARDET is a profit-driven agency. Nonetheless, CENAGREF's direct benefits would be greater if revenues from hunting permit and trophy fees are included. In 1997-98, the total revenues from hunting was about \$30,000 for both parks of Pendjari and W. Assuming better game conditions, revenues could be expected to increase modestly.

A convention has been signed between CENAGREF and ARDET, to allow sharing of the seasonal revenues accrued to ARDET to help support CENAGREF recurrent costs. In comparing the overall program implementation costs added to the recurrent costs of the management of the parks with the direct

benefits accrued to CENAGREF (excluding environmental, biodiversity conservation benefits etc.), actual revenues are insufficient to cover all the direct costs and ensure sustainable conservation of the biodiversity in these areas. Additional, external, sources of support are therefore required. A study is under way for the feasibility of the creation of a trust fund.

If implemented as planned, the program will contribute to the reduction of poverty in the neighboring areas as it will: (i) generate revenues through employment and sharing the benefits from managing the parks; (ii) help improve the living conditions through rural development activities. The risk of not achieving this objective is minimal given that with the experience of the eco-rural development component of PGRN, the participatory management approach has proved successful. Under the new program the approach will be strengthened and local populations will be more involved.

B- Financial

The key issue with regard to the financial viability of the program is the long term financing of conservation activities and park management by CENAGREF. Financial sustainability would be achieved through a combination of cost effectiveness and generation of income. Cost effectiveness would be achieved by establishing effective management systems and by creating conditions that would eventually allow a less extensive surveillance system. The latter would be achieved through the participation of local communities in the monitoring activities of the program (see also H below) and depend on the extent to which tangible benefits from improved wildlife management can be effectively and transparently channeled to the communities with the greatest interest in the area of activity.

In addition to Government budget, income be generated in part from the revenues of tourism. Such income would depend on the expected increase in the number of tourists and on the extent to which locally generated revenue and benefits from commercial hunting can be increased through increasing the price of hunting permits and trophy fees. A key issue is the extent to which the very high price of international air travel to Benin would reduce the potential for attracting international tourists, with a consequent impact on local revenues, international interest and political support for biodiversity conservation in Benin.

Finally, as explained in Chapter 7 below, financial sustainability will be achieved through the establishment during the first two years of program implementation of an International Trust Fund.

C- Technical

Program implementation would rely on the mobilization of the limited national technical capacity in park management and wildlife conservation. This capacity would be increased by training more staff as part of program implementation.

The limited availability of data would be addressed by activities aiming at an early definition of wildlife numbers and confirmation of previous identification of key ecosystems, endangered species and endemics.

D- Institutional

The institutional, operational and financial autonomy of CENAGREF is considered a key factor in program implementation. Assurance was obtained from Government during negotiations that the current setup would not be modified without consulting with donors.

Legal recognition and full participation of local communities, local professional organizations, Village Associations (AVIGREFs), NGOs and consultants in the implementation and monitoring of the program are key aspects of program design. The new legislation on wildlife management - approved by Government as a pre-requisite for the present program and now with Parliament for adoption - paves the way towards formal institutionalization of such an evolution.

A potential issue is the capacity of CENAGREF to manage a widely dispersed set of field operations in the north of the country, while concurrently assuring strong national support, efficient administration and financial management and leading donor coordination in the south of the country. This would be addressed by establishing a decentralized management structure, and through the provision of technical assistance (funded by other donors) and training. Care would be taken to ensure that bilateral Technical Assistance does not endanger national capacity building and national capacity mobilization.

Effective international cooperation between Burkina Faso, Niger and Benin on issues such as ecological monitoring, anti-poaching measures, management of transboundary transhumance and bush-fire management would be developed through the E.U. funded contribution, part of a regional operation that would have a secretariat in Burkina Faso and cover all three countries.

E- Social

Ensuring effective community participation - including transhumant pastoralists - in program execution will be crucial to the success of the operation. Great care must be taken to ensure that the benefits of the program are not captured by a limited elite group inside each community. The utmost transparency of all community-based benefit payments must be assured at all times.

Structured and unstructured community participation in the diagnostic and planning stages of the program are very important. It is, however, important to ensure that these will be followed up by substantial implementation activities. Even though the program has not yet been launched, communities in the area are impatient to get started.

It will be important to ensure that there are sufficient direct incentives to encourage traditional village hunters to establish and subsequently respect agreed quotas and technical guidelines, and have a vested interest to ensure that all other hunters do as well.

F- Resettlement

There will be no involuntary resettlement associated with either the specific proposed GEF-financed operation or the overall national program. There will be some de facto compensation provided to rural communities for foregone benefits of illegal poaching or agricultural activities within the parks through employment in the park as rangers and guides, access to benefits from improved park management and through community-based development programs.

There are currently no villages within the parks themselves, and Government stated policy is that there would be no attempt to request illegal dwellers to quit immediately the areas they occupy within the hunting zones. Restrictions to the activities of such communities would result from a negotiation process and defined on a contractual basis. In parallel, attractive opportunity would be offered to them under the program through the village development component.

G- Environmental assessment

Environmental issues: Key issues include (a) the possible negative environmental impact due to incorrectly planned tourist infrastructure, and (b) the failure or lack of support of the national program and the consequent destruction of globally important ecosystems and biodiversity.

Environmental category: B

Justification/Rationale for category rating: The primary objective of the proposed program is to improve environmental management in the north of Benin. Therefore the program is expected to have some positive environmental impacts; however, there are some environmental risks, albeit relatively minor. First, investment in access to paths and water points in and around the protected areas has potentially negative environmental impact. It will therefore be necessary to undertake an activity-specific EIA for each of these

types of investments. Second is the control and management of commercial and traditional hunting. Vigilance will be required to ensure that the quotas and guidelines are respected.

Status of Category B assessment: An Environmental Impact Assessment was prepared by an IUCN team and has been reviewed by CENAGREF and the *Agence Béninoise pour l'Environnement (ABE)*, the latter being the legally responsible agency for all EIA review in the country. The Assessment emphasizes the impact the program will have on populations in the border of the parks. The participatory approach which is recommended by the program is expected to limit any negative impacts on local populations. Potential negative impacts on ecosystems of the parks, due to tourism development, will be managed through the elaboration of a Development Plan at the onset of the program, to be followed by the formulation of full Park Management Plans as part of program implementation. All new infrastructure within the protected areas will have to follow the regulations formulated by the ABE. Moreover, it is planned that an ecological monitoring system will help to ensure that the conservation objectives of the programs are achieved.

H- Participatory Approach

The national program will be implemented in areas where surrounding communities are very poor, and where past relationships between the authorities managing wildlife resources and local communities have been antagonistic, and where transborder commercial poaching and transhumance have added substantial complications. However, local populations have indicated a willingness to become more actively involved in park management and biodiversity conservation, the government has indicated a willingness to involve local communities and the capacity of local institutions to plan and implement community-based natural resource management is continually increasing. These elements show that the participatory approach is critical to ensure the success of the program.

The preparation of the program has extensively used a participatory approach - to the extent that some rural communities are reluctant to participate in any more planning exercises and have expressed the desire for implementation of program activities without any further consultation. Program implementation will continue to include the active participation of a wide range of stakeholders. Among the more directly involved in this process has been, and will be: beneficiaries/community groups, NGOs, academic institutions, local government institutions, professional hunting guides, bilateral and multilateral donors and neighboring country officials.

A detailed list of local groups and NGOs consulted is given in annex 11.

The participatory approach is based on the strengthening of the capacity of local populations in terms of ecological monitoring, the sharing of the benefits drawn from the activities in the protected areas between the local population, the state and the private sector, the employment of local villagers for working with the anti-poaching Parks patrols of CENAGREF, and the development of incentives for sustainable rural activities within the buffer zones.

CHAPTER 7 : Sustainability and risks

A- Sustainability

The program is designed to have financial, institutional, social and ecological sustainability.

Financial sustainability will be achieved primarily through the establishment during the first two years of program implementation of an International Trust Fund for the Conservation of Biodiversity in Benin. Initial design work has already started, and the process would continue as part of program implementation. Once the legal framework, fiduciary responsibilities and financial regulations of the Trust Fund has been developed and agreed upon by Benin and the donor community, capital contributions would be sought from both public (including GEF) and private, and traditional and non-tradition sources. The revenue generated by the fund would be used, as and when needed to meet both recurrent and capital costs of biodiversity conservation operations in Benin. The establishment of this fund would assure the sustainable financial support for biodiversity conservation and ensure that CENAGREF would be able maintain a significant level of financial and operational autonomy.

Institutional sustainability at the national level would be assured through the legal and financial autonomy of CENAGREF, according to the legislation already established. At the same time, national NGOs, the University, local consulting firms and other groups in civil society would be encouraged and supported to play an active role in the dissemination of information concerning biodiversity conservation and in the implementation of field operations in the wildlife areas. This will enable them to make a long, term contribution to biodiversity conservation in Benin. At the local level, the participation and direct implication of the local populations in a wide range of activities associated with national park and wildlife management would provide a durable demand for support for conservation in the north of Benin. Communities would have the skills and authority to undertake a wide range of conservation activities themselves, and would be encouraged to implement these effectively through access to the benefits of their work.

Social sustainability would be based on the involvement of the local populations in the activities of the program. Although all will not be profitable in the short term, the combination of direct and indirect benefits, supported financially where necessary with resources from the Trust Fund, should be sufficient to obtain their durable support.

Finally, ecological sustainability will be achieved through the application of a range of simple, low cost and replicable wildlife and habitat management techniques; many of which could be applied by the local population. Sustainable management of dynamic and fragile ecosystems requires accurate and up-to-date information. The ecological monitoring systems to be established under the proposed program would therefore establish the scientific basis for durable and effective direction of the national parks and the wildlife management areas.

B- Critical Risks

| | Risk | Rating | Risk Minimization Measure |
|--------------------------------|---|-----------------|---|
| Project Outputs to Objectives | (i) Poor mobilization of available though limited - national capacity in wildlife management | Moderate | (i) Depoliticization of deployment of Development staff and contracts with NGOs and local consultants. |
| | (ii) Lack of institutional and financial autonomy for CENAGREF | Low | (ii) Application of existing legislation. |
| | (iii) Short term exigencies of adjacent population override medium- and long- term requirements of biodiversity conservation | Moderate | (iii) Major focus on establishing effective and transparent flow of benefits to local population from project activities |
| Projects Components to Outputs | (i) Erosion of political support for biodiversity conservation | Low | (i) Growing internal and international pressure will make it increasingly difficult for Government to ignore the importance of biodiversity conservation in Benin |
| | (ii) Policy decision to expand cotton cultivation into wildlife areas | Low to Moderate | (ii) Increasing external pressure and increasing awareness amongst Policy makers of the incompatibility of the two forms of land use. Issue to be specifically discussed in PIP and ASIP Negotiations |
| | (iii) Reluctance of CENAGREF to implement policy of community involvement, participation in project benefits and the contractualisation of operations to private sector operators | Low to Moderate | (iii) Donor, NGO and private sector pressure will make it increasingly difficult for the government to retrace its steps on this issue |
| | (iv) Inadequate incentives for private sector and community participation | Low | Participative planning and policy decisions to maximize participation of civil society |

Table 5 – Risks of the program

C- Possible Controversial Aspects

Land use policy: Cotton is a profitable and attractive crop for the local population. It provides them, many of whom are very poor, an important opportunity to significantly increase their income. To end support to illegal cotton cultivation within protected areas and to forego increasing the area planted to cotton will represent a real and substantial economic loss. Significant local political pressure can therefore be expected in support of the continued expansion of cotton, towards the parks and the wildlife management areas.

L'affaire des hippotragues. Early in 1997 between 60 and 100 Roan antelope were illegally captured in the Pendjari' and translocated to sites in Togo and South Africa. This operation was undertaken by South African consultants with Togolese logistical support, and apparently without the knowledge of the Ministry of Rural Development and certainly against the wishes of the local population, who had been given to understand that they, not outsiders, were to benefit from the wildlife resources of the area. The issue is extremely delicate as it involves the highest possible political authority. A Parliamentary Commission has been established to investigate the incident, but there was no sign of any progress. Donors supporting biodiversity conservation in Benin, as well as the local press and environmental NGOs, are very eager to know the eventual conclusions of the Commission, and to know what steps have been proposed to ensure that the incident is not repeated. The Ministry of Rural Development has agreed to provide the necessary explanation and assurances.

CHAPTER 8 : Program costs and financing plan

A. Program costs

Total cost. The total cost of the program is estimated at US\$ 24.2 million equivalent, including taxes and physical and prices contingencies, of which US\$ 17,8 million equivalent in local currency and US\$ 6.4 million equivalent in foreign currency. A summary of program costs is provided below:

| | (FCFA '000) | | | (US\$ '000) | | |
|--|-------------------|------------------|-------------------|---------------|--------------|---------------|
| | Local | Foreign | Total | Local | Foreign | Total |
| A. Common Actions at the National Level | | | | | | |
| 1. Program Management | 529,260 | 127,080 | 656,340 | 882 | 212 | 1,094 |
| 2. Support Activities | 785,280 | 567,000 | 1,352,280 | 1,309 | 945 | 2,254 |
| Subtotal Common Actions at the National Level | 1,314,540 | 694,080 | 2,008,620 | 2,191 | 1,157 | 3,348 |
| B. Pendjari Complex | | | | | | |
| 1. Park and Cynegetic Areas Management | 2,078,161 | 1,325,543 | 3,403,703 | 3,464 | 2,209 | 5,673 |
| 2. Tourism and Hunting | 823,560 | 67,200 | 890,760 | 1,373 | 112 | 1,485 |
| 3. Actions with Villagers | | | | | | |
| Sustainable Development of Siri Area | 1,100,211 | 174,603 | 1,274,814 | 1,834 | 291 | 2,125 |
| Other Actions with Villagers | 415,600 | 60,000 | 475,600 | 693 | 100 | 793 |
| Subtotal Actions with Villagers | 1,515,811 | 234,603 | 1,750,414 | 2,526 | 391 | 2,917 |
| Subtotal Pendjari Complex | 4,417,531 | 1,627,346 | 6,044,877 | 7,363 | 2,712 | 10,075 |
| C. "W" Complex | | | | | | |
| 1. Park and Cynegetic Areas Management | 3,132,008 | 982,916 | 4,114,924 | 5,220 | 1,638 | 6,858 |
| 2. Tourism and Hunting | 527,760 | - | 527,760 | 880 | - | 880 |
| 3. Actions with Villagers | 672,768 | 128,580 | 801,348 | 1,121 | 214 | 1,336 |
| Subtotal "W" Complex | 4,332,536 | 1,111,496 | 5,444,032 | 7,221 | 1,852 | 9,073 |
| Total BASELINE COSTS | 10,064,608 | 3,432,921 | 13,497,529 | 16,774 | 5,722 | 22,496 |
| Physical Contingencies | 563,215 | 305,735 | 868,950 | 939 | 510 | 1,448 |
| Price Contingencies | 771,652 | 397,335 | 1,168,987 | 124 | 177 | 301 |
| Total PROJECT COSTS | 11,399,474 | 4,135,992 | 15,535,466 | 17,837 | 6,408 | 24,245 |

Table 6 - Program Cost Summary

Base cost. Base costs are estimated in June 1998 prices using the prevailing rates of exchange of FCFA 600 for US\$ 1. The average physical contingency for all components is estimated 10 percent of base cost. Price contingencies were applied to base costs over the program implementation period of 5 years (1999 - 2003). Inflation on foreign exchange costs was calculated at an average rate of 2 percent per year during the period. The inflation rate on local costs was assumed to be 3 percent during the same period.

GEF contribution. The GEF financing will contribute to the three components of the program, and as lender of last resort will provide external financing of CENAGREF staff and other operating costs. The global contribution is expected to be US\$ 6.76 million. US\$ 2.87 million will finance common actions at a national level. This will consist in building the required infrastructure, supplying the national unit with the required equipment, financing part of the salary of the staff as well as consultancies and studies for support actions for the following purposes: preparation of the trust-fund, training activities, regional cooperation, Information - education and communication (IEC) activities, development of management information systems (for monitoring and evaluation, ecological monitoring, and geographic information management). US\$ 1.08 million will be dedicated to the Pendjari complex in order to complement the GTZ-KfW funding. It will mainly consist in equipment supply and operating costs. US\$ 2.8 million will be dedicated to the "W" complex in order to complement the funding from the European Union. In terms of equipment, it

appears that European Union funding can account for only 50 % of the needs. GEF will also support decentralized actions with villagers: communication, training, and setting-up of a social investment fund that will help create the incentives for the population to remain out of the limits of the protected areas.

| | GEF | The Government | Other Donors | Total |
|---|-------|----------------|--------------|--------|
| A. Common Actions at the National Level | | | | |
| 1. Program Management /a | 826 | 197 | 110 | 1,133 |
| 2. Support Activities /b | 2,045 | 368 | - | 2,413 |
| Subtotal Common Actions at the National Level | 2,870 | 565 | 110 | 3,546 |
| B. Pendjari Complex | | | - | |
| 1. Park and Cynegetic Areas Management | 1,049 | 932 | 4,177 | 6,159 |
| 2. Tourism and Hunting | - | 249 | 1,429 | 1,678 |
| 3. Actions with Villagers | | | - | |
| Sustainable Development of Siri Area | 26 | 185 | 2,072 | 2,283 |
| Other Actions with Villagers | - | 38 | 801 | 839 |
| Subtotal Actions with Villagers | 26 | 223 | 2,873 | 3,123 |
| Subtotal Pendjari Complex | 1,075 | 1,404 | 8,479 | 10,959 |
| C. "W" Complex | | | - | |
| 1. Park and Cynegetic Areas Management | 1,901 | 1,111 | 4,252 | 7,264 |
| 2. Tourism and Hunting | - | 147 | 847 | 994 |
| 3. Actions with Villagers | 910 | 122 | 451 | 1,483 |
| Subtotal "W" Complex | 2,811 | 1,379 | 5,551 | 9,740 |
| Total Project Costs | 6,756 | 3,349 | 14,140 | 24,245 |

Table 7 - Program Budget by Source (US\$ '000)

Government contribution. The participation of the government will cover the local taxes as well as the salaries of some of the personnel. It will also contribute to part of the operating costs.

Other financing. The program will be co-financed according to the following table:

| <i>Financier</i> | <i>Amount</i> |
|-----------------------------|-------------------|
| Federal Republic of Germany | US\$ 4,8 million |
| European Union | US\$ 4,47 million |
| AFD - FFEM | US\$ 2,02 million |
| Dutch Cooperation | US\$ 2,07 million |
| CENAGREF | US\$ 0,49 million |

Table 8 – Co-financing of the program

All program activities would fall under CENAGREF and coordination of donors' contributions would take place through an annual programming process resulting in Yearly Work Plans that will ensure that no duplicate activities will be financed twice by two different donors. Part of the French contribution will be channeled through ARDET-Atacora and managed through the formal convention already signed between them and CENAGREF.

CHAPTER 9 : Main grant conditions

A. Assurances obtained at negotiations

The institutional setup of the National Parks Conservation and Management Program, and in particular the status of CENAGREF, would not be significantly modified without prior consultation with donors.

Adequate auditing procedures would be applied.

The Director General and Directors of CENAGREF would be acceptable to the World Bank at all time during Program implementation.

Government would carry out, in collaboration with donors, a mid-term evaluation of the Program.

B. Conditions that have been met between Negotiations and Board Presentation

Government has adopted a Policy Letter satisfactory to the World bank spelling out its policy with regard to land use in and around protected areas (annex 10).

The decree modifying the decree 96-73 that created CENAGREF has been signed and the *arrêté* specifying CENAGREF's attributions, organization chart and mechanisms is in application.

The CENAGREF has recruited an accountant and has implemented an accounting system meeting the donors requirements.

The Implementation Manual of CENAGREF has been formally endorsed by its Board of Directors.

The Implementation Agreement between CENAGREF and ARDET has been signed.

A new law on wildlife management has been adopted by Government and submitted to Parliament

C. Conditions of effectiveness

The appointment of an external project auditor would be a condition of effectiveness.

D. Conditions of disbursement

There are no conditions of disbursement.

CHAPTER 10 : Compliance with Bank Policies

- ☒ This project complies with all applicable Bank policies.
- ☐ [The following exceptions to Bank policies are recommended for approval: The project complies with all other applicable Bank policies.]

Task Team Leader/Task Manager: Michel Siméon



Sector Manager/Director: Hans Binswanger



Acting 24 Feb 2000

Country Manager/Director: Theodore O. Ahlers



Annex 1 - Project design summary and performance indicators

| Description | Indicators | Verification sources |
|---|---|---|
| Goal Natural resources in Pendjari and "W" complexes are conserved. | | |
| Development objective The national Parks administration, its representatives and the population leaving near the Parks manage natural resources in a sustainable way. | | |
| Outputs 1. A strategy for natural resources conservation and sustainable management in the protected areas is defined and implemented. | <ul style="list-style-type: none"> Carrying capacity for big mammals has increased by at least n % in three years. (n depends on development plan of Pendjari and "W" complexes) Significant increase in the population of the various animal species in the Protected Areas after 3 years (depending on development plan of Pendjari and "W" complexes) An infrastructure network for Parks supervision is set-up and maintained during the third year. | Regular wildlife surveys |
| 2. The pressure of the population on the Parks complexes is reduced | <ul style="list-style-type: none"> Factors that compel population to settle in the Protected Areas are better managed Illegal activities in Protected Areas have decreased after 3 years Behavior of the animals (their fleeing distance is decreased) | Regular field surveys (the first results must be available after 6 months) Reports Observation in the field |
| 3. Protected areas eco-tourism potential is developed. | <ul style="list-style-type: none"> Annual increase in the number of visitors for Protected Areas Lodging capacities are increased by 50 % over 5 years. At least two new tourist tours are created over 5 years. | |
| 4. CENAGREF is efficient. | <ul style="list-style-type: none"> The financial dependency ratio for National Parks management is less than 30 per cent after 5 years. Number of regional agreements (or percentage based on an inventory of themes requiring a regional approach) The achievement ratio for the Yearly Work Program reaches 80 % after 2 years. National Parks are considered as important by public opinion. | |
| 5. Participation of local population to Parks management is actual. | <ul style="list-style-type: none"> The increasing ratio of taxes redistributed to local population reaches at least 30 % in the 5th year. Revenues coming from the Parks to the households doubled The level of responsibility of the local population in the definition, adoption and implementation of development plan | Field surveys |
| 6. Knowledge on biodiversity is available and the management information system is operational | <ul style="list-style-type: none"> The database on biodiversity is available after 3 years, updated and used regularly. Definition of indicators for ecological monitoring available after 1 year. Percentage of relevant solutions compared to problems encountered. | Regular publications on biodiversity evolution Reports |

PERFORMANCE INDICATORS

| Indicator | Objective | Deadline |
|--|-------------------------------------|------------------------|
| 1. Population of endangered species (elephant, buffalo, korrigum antelope, cheetah, Roan Antelope) | Increase by 20% | end 2001 |
| 2. Park infrastructure (3 main bases, 12 secondary posts, 700 km of tracks) | Set-up and maintained | end 2001 |
| 3. Number of illegal activities (poaching, cultivation, transhumance) | Decrease by 50% | end 2001 |
| 4. Number of visitors in protected areas | Multiplied by 2 (from 4000 to 8000) | end 2003 |
| 5. Lodging capacity | Increase by 50% | end 2003 |
| 6. Number of tourist tour routes | Increase (from 3 to 5) | end 2003 |
| 7. Self-financing for National Parks management | More than 70% | end 2003 |
| 8. Annual work program implementation ratio | More than 80 % | Beginning of year 2000 |
| 9. Part of the fees paid back to the local population | At least 30% | year 2003 |
| 10. Local households income induced by the park activities | Multiplied by 2 | end 2003 |
| 11. Number of operational Wildlife Reserves Management Village Associations (AVIGREF) that are | Multiplied by 3 | end 2002 |
| 12. Biodiversity data base | Existing and updated | end 2001 |

Annex 2 - Project description

Project Component A - Common actions at the national level: US\$ 3.5 million

This component encompasses all actions to be undertaken by the national unit of CENAGREF based in Cotonou. It includes the following sub-components.

Program Management. The establishment of CENAGREF as an effective, operational organization capable of supervising the implementation of the national program will require additional equipment, vehicles and material, and support for key operating costs. The program will support the establishment and operation of a Monitoring and Evaluation System which would track the programs execution and determine the impact of the different components.

Support actions. This sub-component consists in the following support actions: (i) consultancies and studies for the implementation of a trust-fund that would ensure the program sustainability; (ii) training for CENAGREF staff in other African countries and scholarships to strengthen the capacity of national staff; (iii) ensuring regional cooperation through missions through coordination, organization of regional workshops and various consultancies for providing decision-makers with relevant information and recommendations; (iv) enhancing Information, Education and Communication (IEC) activities through the organization of workshops for awareness to biodiversity issues, use of rural radios for disseminating information, development of cultural activities in border villages and use of didactic materials for educating the population; (v) institutional support for revising legal documents about protected areas management, ensuring decentralized action of CENAGREF and developing participatory approach at the local level; (vi) setting-up a management information system for managing the parks with particular attention paid to the geographical aspects of the information (GIS capabilities); (vii) ecological monitoring in implementing an adapted environment information system (EIS), organizing surveys and studies for collection of ecological information and training the national staff.

Project Component B - Pendjari complex: US\$ 11.0 million

This component encompasses the actions to be managed by the Pendjari direction of CENAGREF. It includes the following sub-components.

Pendjari complex. Park and cynegetic areas management. This sub-component will focus on providing the decentralized unit in Tanguieta with the required equipment and staff. Each of the 2 sections consists of: one chief, 6 officers from CENAGREF and 9 villagers. Each section will need to have access to appropriate vehicles (motorcycles and bicycles) and equipment (GPS and radios). At the management level, the staff will consist in a director for the whole complex, 3 associates, 2 international experts and 2 national experts, and the appropriate support staff. The sub-component will also provide the unit with required office space. Eventually, the construction, repair and maintenance of paths will be financed through this sub-component.

Pendjari complex. Tourism and hunting. This sub-component will be divided as follows: (i) hotel infrastructure with the construction and restoration of rooms; (ii) tourist infrastructure with the construction of watchtowers for wildlife observation and paths for tourism purposes, the installation of signs for tourist orientation; (iii) organization and promotion of a commercial campaign through the formulation of a strategy.

Pendjari complex. Actions with villagers. Actions will be implemented in two different areas: (i) in the Siri area, the sub-component will finance staff to work with villagers by supporting the unit in its operating costs (needed equipment for didactic purposes). It will eventually support the organization of workshops;

(ii) in the Pendjari area, the sub-component will finance socio-economic studies, training seminars for villagers, support to their institutional organization in associations, and funding of social micro-projects.

Project Component C - “W” complex: US\$ 9.7 million

This component encompasses the actions to be managed by the Pendjari direction of CENAGREF. It follows the same framework as the component B described above.

“W” complex. Park and cynegetic areas management. This sub-component will focus on providing the decentralized unit in Banikoara with the required equipment and staff. The staff is organized in 4 sections each with one chief, 6 officers from CENAGREF and 9 villagers. Each section will have to be equipped with the appropriate vehicles (motorcycles and bicycles) and equipment (GPS and radios). At the management level the staff will consist in a director for the whole complex, 3 associates, 2 international experts and the appropriate support staff. The sub-component will also provide the unit with required office space. Eventually, the construction, repair and maintenance of paths will be financed through this sub-component.

“W” complex. Tourism and hunting. This sub-component will be divided as follows: (i) hotel infrastructure with the construction and restoration of rooms; (ii) tourist infrastructure with the construction of watchtowers for wildlife observation and paths for tourism purposes, the installation of signs for tourist orientation; (iii) organization and promotion of a commercial campaign through the formulation of a strategy.

“W” complex. Actions with villagers. In the W area the sub-component will finance socio-economic studies, training seminars for villagers, production and dissemination of didactic materials, and the development of a social fund for demand-driven micro-projects.

The financing of the various components and sub-components is as follows :

| | GEF Amount (%) | The Government Amount (%) | CENAGREF Amount (%) | ARDET Amount (%) | German Cooperation - GTZ Amount (%) | German Cooperation - KfW Amount (%) | Dutch Cooperation Amount (%) | French Cooperation - AFD Amount (%) | French Cooperation - FFEM Amount (%) | European Union Amount (%) | Total Amount (%) |
|--|----------------------|------------------------------------|---------------------------|------------------------|---|---|---------------------------------------|---|--|------------------------------------|------------------------|
| A. Common Actions at the National Level | | | | | | | | | | | |
| 1. Program Management | 826 (73) | 197 (17) | 110 (10) | - | - | - | - | - | - | - | 1,133 |
| 2. Support Activities | 2,045 (85) | 368 (15) | - | - | - | - | - | - | - | - | 2,413 |
| Subtotal Common Actions at the National Level | 2,870 (81) | 565 (16) | 110 (03) | - | - | - | - | - | - | - | 3,546 |
| B. Pendjari Complex | | | | | | | | | | | |
| 1. Park and Cynegetic Areas Management | 1,049 (17) | 932 (15) | 148 (02) | - | 1,261 (20) | 2,768 (45) | - | - | - | - | 6,159 |
| 2. Tourism and Hunting | - | 249 (15) | - | 146 (09) | - | - | - | 822 (49) | 461 (27) | - | 1,678 |
| 3. Actions with Villagers | | | | | | | | | | | |
| Sustainable Development of Siri Area | 26 (01) | 185 (08) | - | - | - | - | 2,072 (91) | - | - | - | 2,283 |
| Other Actions with Villagers | - | 38 (05) | - | - | 565 (67) | 236 (28) | - | - | - | - | 839 |
| Subtotal Actions with Villagers | 26 (01) | 223 (07) | - | - | 565 (18) | 236 (08) | 2,072 (66) | - | - | - | 3,123 |
| Subtotal Pendjari Complex | 1,075 (10) | 1,404 (13) | 148 (01) | 146 (01) | 1,826 (17) | 3,003 (27) | 2,072 (19) | 822 (08) | 461 (04) | - | 10,959 |
| C. "W" Complex | | | | | | | | | | | |
| 1. Park and Cynegetic Areas Management | 1,901 (26) | 1,111 (15) | 232 (03) | - | - | - | - | - | - | 4,020 (55) | 7,264 |
| 2. Tourism and Hunting | - | 147 (15) | - | 111 (11) | - | - | - | 629 (63) | 107 (11) | - | 994 |
| 3. Actions with Villagers | 910 (61) | 122 (08) | - | - | - | - | - | - | - | 451 (30) | 1,483 |
| Subtotal "W" Complex | 2,811 (29) | 1,379 (14) | 232 (02) | 111 (01) | - | - | - | 629 (06) | 107 (01) | 4,471 (46) | 9,740 |
| Total | 6,756 (28) | 3,349 (14) | 491 (02) | 257 (01) | 1,826 (08) | 3,003 (12) | 2,072 (09) | 1,451 (06) | 568 (02) | 4,471 (18) | 24,245 |

Table 9 – Financing plan of the components. (Amounts in US\$)

Project programming, monitoring and evaluation.

Programming. Every year, CENAGREF, government and donors will agree on an annual work program prepared and submitted by the three operational directions of CENAGREF. The work program will be endorsed by the board of CENAGREF before implementation. This procedure will ensure the national coherence of the activities of CENAGREF as well as the multi-donor consolidation of the programming.

Monitoring. The direction of each park, and the technical direction will monitor their activities with a set of performance and impact indicators. The computerized system that manages these indicators will enable a permanent access to monitoring information updated on a monthly basis. Particular attention is paid to the design of the summary tables of the monitoring system so as to enable the management to identify quickly and precisely problems in the implementation.

Evaluation. A set of global indicators has been defined in order to evaluate the performance and impact of the program. A mid-term review will take place in 2001 and will assess the compliance of the program with the target values of these indicators.

Annex 3 - Estimated project costs

| | (FCFA '000) | | | (US \$ '000) | | |
|---|-------------|-----------|------------|--------------|---------|--------|
| | Local | Foreign | Total | Local | Foreign | Total |
| A Common Actions at the National Level | | | | | | |
| 1. Program Management | 529,260 | 127,080 | 656,340 | 882 | 212 | 1,094 |
| 2. Support Activities | 785,280 | 567,000 | 1,352,280 | 1,309 | 945 | 2,254 |
| Subtotal Common Actions at the National Level | 1,314,540 | 694,080 | 2,008,620 | 2,191 | 1,157 | 3,348 |
| B. Pendjari Complex | | | | | | |
| 1. Park and Cynegetic Areas Management | 2,078,161 | 1,325,543 | 3,403,703 | 3,464 | 2,209 | 5,673 |
| 2. Tourism and Hunting | 823,560 | 67,200 | 890,760 | 1,373 | 112 | 1,485 |
| 3. Actions with Villagers | | | | | | |
| Sustainable Development of Siri Area | 1,100,211 | 174,603 | 1,274,814 | 1,834 | 291 | 2,125 |
| Other Actions with Villagers | 415,600 | 60,000 | 475,600 | 693 | 100 | 793 |
| Subtotal Actions with Villagers | 1,515,811 | 234,603 | 1,750,414 | 2,526 | 391 | 2,917 |
| Subtotal Pendjari Complex | 4,417,531 | 1,627,346 | 6,044,877 | 7,363 | 2,712 | 10,075 |
| C. "W" Complex | | | | | | |
| 1. Park and Cynegetic Areas Management | 3,132,008 | 982,916 | 4,114,924 | 5,220 | 1,638 | 6,858 |
| 2. Tourism and Hunting | 527,760 | - | 527,760 | 880 | - | 880 |
| 3. Actions with Villagers | 672,768 | 128,580 | 801,348 | 1,121 | 214 | 1,336 |
| Subtotal "W" Complex | 4,332,536 | 1,111,496 | 5,444,032 | 7,221 | 1,852 | 9,073 |
| Total BASELINE COSTS | 10,064,608 | 3,432,921 | 13,497,529 | 16,774 | 5,722 | 22,496 |
| Physical Contingencies | 563,215 | 305,735 | 868,950 | 939 | 510 | 1,448 |
| Price Contingencies | 771,652 | 397,335 | 1,168,987 | 124 | 177 | 301 |
| Total PROJECT COSTS | 11,399,474 | 4,135,992 | 15,535,466 | 17,837 | 6,408 | 24,245 |

Table 10 - Estimated costs of the project

Annex 4 - Incremental Cost Analysis

BENIN

NATIONAL PARKS CONSERVATION AND MANAGEMENT PROJECT

A- Broad Development Goals

The northern wildlife areas of Benin present about 50% of the area of a unique, contiguous zone of relatively pristine sudanian savanna. The remaining 50% is shared between Benin's northern neighbors, Burkina Faso and Niger. Although recent reliable survey data are not available, it is generally agreed that this area is of regional and global importance for biodiversity. At the same time it is a vast zone of fragile, potentially degradable semi-arid forest, scrub and rangeland.

Although there have been some recent institutional problems - which are now being resolved by the Government - Benin has a long history of commitment to biodiversity conservation. The country ratified CITES in 1983 and the Global Convention on Biodiversity in 1994. A new, autonomous wildlife management agency is being established to oversee the management of the national parks. A National Conservation Strategy and a National Environmental Action Plan have both been prepared, and investment in a national parks management program has been included as one of the national priorities for the rural development sector.

The key development objectives of the government - as defined in the National Protected Area Conservation and Management Strategy document - are: (i) improved national capacity for conservation (ii) improved conservation and protection of national parks and wildlife management areas; (iii) sustainable use and management of wildlife resources in the management areas and buffer zones; (iv) increased participation of the local population in the management of protected areas; development of scientific research and ecological monitoring; and (v) improved donor coordination within the framework of a unified national program.

B- Baseline

Benin is a poor country and can only be reasonably expected to undertake activities in this field which respond to national development needs. There are, however, an important set of activities which are required to ensure the global benefits of the sustainable management of this large ecosystem. The baseline activities for which global environmental considerations are not explicitly taken into account include: (i) development and review of national environmental action plans and national conservation strategy, (ii) the design and implementation of improved participatory, community-based land planning and agricultural production techniques in the buffer zones; (iii) the employment of local community members as forest guards, trackers etc. (iv) the establishment and staffing of CENAGREF, (v) a national program of public awareness for the importance of biodiversity conservation and national park management, (vi) investment in basic infrastructure for park management, (vii) strengthening park planning and management, and simple ecological monitoring and research. The total cost of the baseline program would be US\$ 17.5 million. Benin has managed to obtain considerable external support to meet these base costs.

C- Global Environment Objectives

The national program's global environmental objective is to ensure better and sustainable conservation of biodiversity in the sudanian savanna of northern Benin, and by doing so, to contribute to a transboundary program of biodiversity conservation. The area contains unique and irreplaceable habitat and a number of globally threatened and endangered species; leopard, cheetah, korrigum antelope and the spotted hyena are

among the most obvious, but further detailed survey will certainly reveal others. Under the base-line course of action, Benin would be able to manage the parks and wildlife management areas at a minimal level, and undertake a certain though limited amount of community-based participation and development work. It is unlikely that these would be completely satisfactory and the conservation of globally important biodiversity could not be assured.

D- GEF Alternative

The GEF alternative will enable Benin to tackle effectively the conservation of globally important savanna ecosystems and associated biodiversity in the north of the country.

In functional terms, the additional funds would support the following: (i) the restructuring of the Park management administration (US\$ 1.00 million); (ii) local and national capacity building, improved communications and awareness heightening, to ensure that the concern and skills exist to achieve sustainable management of globally important habitats and species, and short-term technical assistance (US\$ 1.35 million), (iii) the collection and analysis of scientific data on the ecosystem and its species, and the effective monitoring of population numbers and trends, and changes in the quality of habitat (US\$ 1.15 million), (iv) improved program and project management and better donor and international coordination (US\$ 3.25 million). The breakdown of the same costs by program sub-components is presented in the Incremental Costs Matrix given below. The total costs of realizing the goals of global biodiversity conservation would be US\$ 6.76 million.

E- Incremental Costs

The agreed incremental costs for this GEF funding is requested in order to achieve the global environmental benefits of the GEF alternative are therefore US\$ 6.76 million.

F- Incremental Cost Matrix for GEF funding

| Sub-components | Cost Category | Cost US\$ Million | Domestic Benefits | Global Benefit |
|-------------------------------------|------------------|----------------------|---|--|
| Program Management | Baseline | 0.31 | Reorganization of CENAGREF, including decentralized directions of Parks | Increased national capacity to conserve global biodiversity |
| | <u>Increment</u> | <u>0.83</u> | | |
| | Total | 1.14 | | |
| Support activities | Baseline | 0.37 | <p>Better cooperation from neighboring countries</p> <p>Removal of current contradictions in laws, rules and regulations</p> <p>Improved awareness in National Parks and biodiversity of Benin</p> <p>Improved management of information</p> <p>Monitoring of impact of project on biodiversity and ecosystem</p> | Effective laws and institutional arrangements to ensure biodiversity conservation |
| | <u>Increment</u> | <u>2.05</u> | | Improved international participation in global, transboundary biodiversity resources conservation. |
| | Total | 2.42 | | Greater local, national and international support for conservation of globally important biodiversity |
| Park and cynegetic areas management | Baseline | 10.47 | <p>Better management of national parks and wildlife management areas</p> <p>Increased capacity in anti-poaching and stock control</p> | Better understanding of international ecosystem |
| | <u>Increment</u> | <u>2.95</u> | | Inventory of threatened and endangered species and habitats, monitoring of changes in biodiversity of global significance. |
| | Total | 13.42 | | Better conservation of internationally important ecosystem and globally important biodiversity resources |
| Tourism and hunting | Baseline | 2.67 | <p>Improved income from tourism</p> <p>Better financial viability of conservation</p> | |
| | <u>Increment</u> | <u>0</u> | | |
| | Total | 2.67 | | |
| Actions with villagers | Baseline | 3.67 | <p>Improved local capacity to manage resources and participate in park management.</p> <p>Establishment of effective rural development systems</p> | <p>Increased local capacity to conserve global biodiversity</p> <p>Reduction in natural resource degradation</p> |
| | <u>Increment</u> | <u>0.94</u> | | |
| | Total | 4.61 | | |

| | | |
|--------------|-------------------|--------------------|
| TOTAL | Baseline | 17.49 |
| | <u>GEF</u> | <u>6.76</u> |
| | TOTAL | 24.25 |

Table 11 - Incremental costs analysis matrix

Annex 5 - Financial summary

(US\$ '000)

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Total |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Project costs | | | | | | | |
| Investment costs | 4,732 | 6,508 | 3,017 | 2,268 | 1,871 | 843 | 19,239 |
| Recurrent costs | 426 | 920 | 1,013 | 1,043 | 1,064 | 540 | 5,007 |
| Total | 5,158 | 7,428 | 4,030 | 3,311 | 2,935 | 1,383 | 24,245 |
| Financing sources | | | | | | | |
| ARDET | 23 | 48 | 51 | 53 | 55 | 28 | 257 |
| CENAGREF | 39 | 89 | 102 | 103 | 105 | 53 | 491 |
| Federal Republic of Germany | 945 | 1,828 | 1,393 | 815 | 517 | 213 | 5,710 |
| Dutch cooperation | 140 | 313 | 407 | 475 | 489 | 248 | 2,072 |
| AFD | 131 | 269 | 286 | 300 | 309 | 157 | 1,451 |
| FFEM | 62 | 169 | 144 | 76 | 78 | 39 | 568 |
| European Union ¹ | 1,345 | 1,558 | 459 | 498 | 432 | 180 | 4,471 |
| GEF | 1,655 | 2,121 | 875 | 826 | 848 | 430 | 6,756 |
| Government | 884 | 1,173 | 487 | 364 | 303 | 138 | 3,349 |
| Total | 5,158 | 7,428 | 4,030 | 3,311 | 2,935 | 1,383 | 24,245 |

Table 12 - Financial summary

¹ The numbers in this table do not include activities to be managed at regional level – by including the share of Benin in such activities, then total expected EU contribution is estimated at about US\$7.6 million

Annex 6 - Procurement and disbursement arrangements

A. Procurement

Procurement guidelines. Civil works and vehicles, wholly or partly financed by the GEF, will be procured in accordance with the World Bank's "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the World Bank in January 1995 and revised in January and August 1996 and in September 1997 and January 1999; Consultant services wholly or partly financed by the GEF and incremental staff funded under the GEF grant will be procured in accordance with the World Bank's "Guidelines for Selection and Employment of Consultants by World Bank Borrowers" published in January 1997 and revised in September 1997 and January 1999. The following table summarizes procurement arrangements for the GEF, and further detail is given in annex 4.

| | International Competitive Bidding | National Competitive Bidding | Local Shopping | Direct Contracting | Consulting Services | Total |
|--------------------------------------|---|------------------------------------|------------------------|--------------------------|---------------------------|---------------------------|
| Works | - | 6,731 (460) | 1,188 (81) | - | - | 7,919 (541) |
| Goods and vehicles | 2,222 (622) | 556 (156) | - | - | - | 2,778 (778) |
| Consultants services and training | - | - | - | 854 (269) | 7,688 (2,421) | 8,542 (2,690) |
| Operating costs | - | - | 1,030 (573) | 1,325 (733) | 2,652 (1,442) | 5,007 (2,748) |
| Total | 2,222 (622) | 7,286 (615) | 2,218 (654) | 2,179 (1,002) | 10,340 (3,862) | 24,245 (6,756) |

Note: Figures in parenthesis are the respective amounts financed by World Bank - GEF

Table 13 - Procurement arrangements (US\$ '000)

Note : Figures in parentheses are the respective amounts financed by GEF.

Civil works. The civil works will be procured through National Competitive Bidding (NCB). Works estimated to cost less than US\$ 30,000 equivalent per contract, up to an aggregate amount of US\$ 400,000 equivalent, may be procured under contracts awarded on the basis of national shopping procedures, namely under lump-sum fixed price contracts awarded on the basis of written quotations obtained from three qualified domestic contractors in response to a written invitation.

Goods. Goods estimated to cost more than US\$ 100,000 equivalent per contract will be procured through International Competitive Bidding (ICB) and will be bulked to the extent possible, with the exception that vehicles and computers may be procured from IAPSO. The acquisitions estimated to cost less than US\$ 100,000 per contract will be procured through National Competitive Bidding (NCB), up to an aggregate amount of US\$ 200,000. Goods estimated to cost less than \$20,000 equivalent per contract, up to an aggregate amount not to exceed \$100,000 equivalent, may be procured under contracts awarded on the basis of national shopping procedures.

Direct contracting. Goods and works which: (i) should be procured as an extension of an existing contract/must be purchased from the original supplier to be compatible with existing equipment, or (ii) are of a proprietary nature, or (iii) must be procured from a particular supplier as a condition of a performance guarantee, and costing \$100,000 equivalent or less in the aggregate, may, with the Bank's prior agreement, be procured under direct contracting in accordance with the provisions of the Guidelines.

Community participation: Goods and works required for the village level activities of the project shall be procured following suitable procedures acceptable to the Bank.

Consultant services. Recruitment of consulting firms or individual consultants will be carried out under the Quality and Cost Based Selection method (QCBS) in accordance with the World Bank's Guidelines mentioned in para. 1 above. The short list of consultants for services estimated to cost less than \$50,000 equivalent per contract, may comprise entirely national consultants. Single source selection will be acceptable when justified for contracts expected to cost no more than the equivalent of US\$ 50,000.

World Bank review. Requirements for World Bank prior review of procurement operations will be as follows (see also the table presenting Thresholds for Procurement Methods and Prior Review in the annex 4 on procurement):

- (i) procurement of works and goods: in accordance with the above mentioned guidelines, proposals for advertising, draft tender documents, bid evaluations, and award proposals will be subject to review by the World Bank prior to their execution for all contracts exceeding US\$ 100,000 as well as for all sole source contracts.
- (ii) consultant services: full review as spelled out in the guidelines will be required for contracts expected to cost more than or the equivalent of US\$ 100,000 (for such contracts the World Bank requires in particular that the Technical Evaluation Report be subjected to its prior review for non objection before opening of the financial proposals). Below the US\$ 100,000 limit, all consultant contracts expected to cost more than or the equivalent of US\$ 50,000 per contract with firms and US\$ 25,000 per contract with individuals, as well as all sole source contracts, will be subject to prior review by the World Bank but will not require the non objection of the Bank on the technical evaluation of the proposals. All other contracts will be subject to post review.

B. Disbursement

Categories. The number of disbursement categories will be limited to the five categories of (i) civil works, (ii) goods and vehicles, (iii) consultant services, (iv) operating costs and (v) unallocated. Staff salaries financed by the GEF will be disbursed under the operating costs category.

| | Amount | Share of financing |
|----------------------------|-------------|---|
| (i) Civil works | 0.48 | 100% of foreign expenditure 90% of local expenditure |
| (ii) Goods and vehicles | 0.68 | 100% of foreign expenditure 90% of local expenditure |
| (iii) Consultants services | 2.61 | 100% |
| (iv) Operating costs | 2.53 | 100% |
| (v) Unallocated | 0.46 | |
| Total | 6.76 | |

Table 14 - Disbursement of GEF Grant, by categories (US\$ million)

Disbursement plan. Estimated GEF disbursement is as follow:

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|------------|-------|-------|-------|-------|-------|-------|
| Annual | 1,655 | 2,121 | 876 | 826 | 848 | 430 |
| Cumulative | 1,655 | 3,776 | 4,652 | 5,478 | 6,326 | 6,756 |
| Share | 24% | 56% | 69% | 81% | 94% | 100% |

Table 15 - Estimated GEF disbursement (US\$ '000)

Annex 7 - Project processing budget and schedule

| A. Project Budget (US\$000) | <u>Planned</u> | <u>Actual</u> |
|-----------------------------|----------------------|---------------|
| | (At final PCD stage) | |
| GEF PRIF | \$244,000 | |

| B. Project Schedule | <u>Planned</u> | <u>Actual</u> |
|--|----------------------|---------------|
| | (At final PCD stage) | |
| Time taken to prepare the project (months) | | 50 |
| First Bank mission (identification) | 1994 | 1994 |
| Endorsement by GEF Council | | |
| Appraisal mission departure | 06/24/1998 | 06/24/1998 |
| Negotiations | 10/05/1998 | 10/05 /1998 |
| Final Documentation to GEFSEC | 11/15/1998 | 02/ /00 |
| Planned Date of Effectiveness | early 2000 | mid 2000 |

Prepared by: CENAGREF / National Unit for Wildlife Management - Ministry of Rural Development

Project Preparation and Appraisal Team

| | | |
|----------------------|-------------------|-------|
| Michel Siméon | Team leader | AFTE1 |
| Nicolas Ahouissoussi | Rural development | AFMBJ |
| Jean-Michel Pavy | Consultant | AFTE1 |
| Nina Chee | Consultant | AFTE1 |
| Luc Lecuit | Consultant | AFTE1 |

Annex 8 - Status of Bank Group Operations

Closed
Projects 32

| Board Date Fiscal Year | Active Projects | <u>Last PSR</u> | | <u>Original Amount in US\$ Millions</u> | | | | <u>Difference Between Expected and Actual Disbursements^{a/}</u> | |
|---------------------------------|-----------------|-----------------------|-----------------------|---|--------|---------|---------|--|-----------|
| | | Supervision Rating b/ | | IBRD | IDA | Cancel. | Undisb. | Orig. | Frm Rev'd |
| | | <u>Development</u> | <u>Implementation</u> | | | | | | |
| | | <u>Objectives</u> | <u>Progress</u> | | | | | | |
| 1991 | P000105 | AGRIC. SERVICES | S | S | 0 | 0 | 0 | 0 | 0 |
| 1991 | P000108 | POWER REHAB | S | S | 0 | 15.26 | 0 | 4.32 | 3.48 |
| 1993 | P000120 | RURAL CREDIT II | HS | S | 0 | 3.84 | 0 | 1.46 | 1.37 |
| 1994 | P000116 | ECON. MGMT. | S | S | 0 | 4.99 | 0 | 2.82 | 2.96 |
| 1994 | P000103 | EDUCATION DEVELOPMEN | S | S | 0 | 17.79 | 0 | 8.82 | 8.69 |
| 1994 | P000099 | FOOD SECURITY | S | S | 0 | 9.75 | 0 | 1.13 | 0.86 |
| 1994 | P000121 | RURAL WATER SUPPLY & | S | S | 0 | 9.62 | 0 | 4.12 | 4.12 |
| 1995 | P000112 | ENV. MANAGEMENT PROJ | HS | S | 0 | 7.5 | 0 | 4.38 | 2.46 |
| 1995 | P000118 | POPULATION AND HEALT | S | S | 0 | 24.17 | 0 | 18.71 | 19.39 |
| 1997 | P000117 | TRANSPORT SECTOR | S | S | 0 | 37.52 | 0 | 21.18 | 11.98 |
| 1998 | P057345 | BORGOU PILOT RSP | S | S | 0 | 4.09 | 0 | 3.49 | 1.68 |
| 1998 | P035645 | SOCIAL FUND | S | S | 0 | 17.03 | 0 | 13.96 | -0.33 |
| 1999 | P035648 | 1ST DECEN.CITY MGMT. | S | U | 0 | 25.93 | 0 | 25.93 | 1.31 |
| 2000 | P039882 | PRIVATE SECTOR | # | # | 0 | 29.86 | 0 | 29.86 | 0 |
| Total | | | | | 207.35 | | 140.18 | 57.97 | 33.61 |

a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.

Annex 8 - Statement of IFC's
Held and Disbursed Portfolio
As of 12/31/99
(In US Dollars Millions)

| | | Held | | | | Disbursed | | | |
|------------------|----------------------|------|--------|-------|--------|-----------|--------|-------|--------|
| FY Approval | Company | Loan | Equity | Quasi | Partic | Loan | Equity | Quasi | Partic |
| 1991/93/95 | AEF BOAB | 0 | 0 | 0.02 | 0 | 0 | 0 | 0.02 | 0 |
| | 1995 AEF Union Benin | 0 | 0.08 | 0 | 0 | 0 | 0.08 | 0 | 0 |
| | 1994 Equipbail-Benin | 0 | 0.1 | 0 | 0 | 0 | 0.1 | 0 | 0 |
| | 1993 BECOL | 6 | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| | 1998 Nova/Ambergris | 5.5 | 0 | 0 | 0 | 4.68 | 0 | 0 | 0 |
| Total Portfolio: | | 11.5 | 0.18 | 0.02 | 0 | 10.68 | 0.18 | 0.02 | 0 |

Approvals Pending Commitment

| | Loan | Equity | Quasi | Partic |
|---------------------------|------|--------|-------|--------|
| 1999 SOBAC | 0 | 79.22 | 0 | 0 |
| Total Pending Commitment: | 0 | 79.22 | 0 | 0 |

Annex 9 - Country at glance

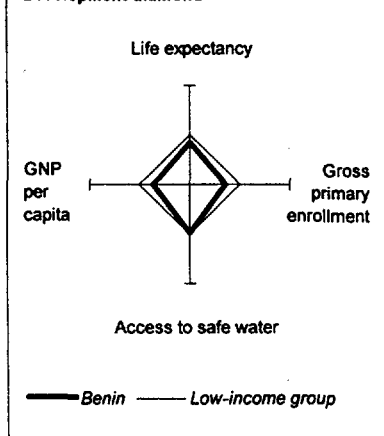
Benin at a glance

9/17/99

POVERTY and SOCIAL

| | Benin | Sub-Saharan Africa | Low-income |
|--|-------|--------------------|------------|
| 1998 | | | |
| Population, mid-year (millions) | 6.0 | 628 | 3,515 |
| GNP per capita (Atlas method, US\$) | 380 | 480 | 520 |
| GNP (Atlas method, US\$ billions) | 2.3 | 304 | 1,844 |
| Average annual growth, 1992-98 | | | |
| Population (%) | 2.9 | 2.6 | 1.7 |
| Labor force (%) | 2.9 | 2.6 | 1.9 |
| Most recent estimate (latest year available, 1992-98) | | | |
| Poverty (% of population below national poverty line) | 33 | .. | .. |
| Urban population (% of total population) | 41 | 33 | 31 |
| Life expectancy at birth (years) | 53 | 51 | 63 |
| Infant mortality (per 1,000 live births) | 88 | 91 | 69 |
| Child malnutrition (% of children under 5) | 29 | .. | .. |
| Access to safe water (% of population) | 72 | 47 | 74 |
| Illiteracy (% of population age 15+) | 66 | 42 | 32 |
| Gross primary enrollment (% of school-age population) | 78 | 77 | 108 |
| Male | 98 | 84 | 113 |
| Female | 57 | 69 | 103 |

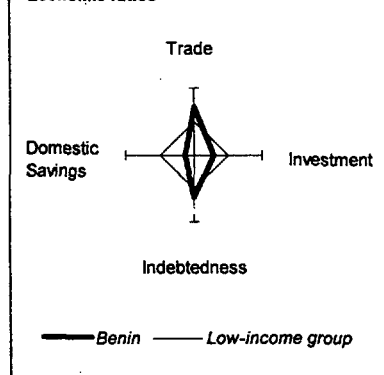
Development diamond*



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

| | 1977 | 1987 | 1997 | 1998 | |
|-----------------------------------|---------|---------|-------|------|---------|
| GDP (US\$ billions) | 0.8 | 1.6 | 2.1 | 2.3 | |
| Gross domestic investment/GDP | 17.8 | 12.9 | 18.5 | 17.1 | |
| Exports of goods and services/GDP | 23.5 | 29.3 | 24.9 | 23.3 | |
| Gross domestic savings/GDP | 0.9 | 3.6 | 9.8 | 8.3 | |
| Gross national savings/GDP | .. | 7.0 | 13.0 | 11.1 | |
| Current account balance/GDP | -17.0 | -5.9 | -5.2 | -4.9 | |
| Interest payments/GDP | 0.1 | 1.0 | 0.8 | .. | |
| Total debt/GDP | 22.3 | 76.4 | 75.9 | 71.4 | |
| Total debt service/exports | .. | 7.5 | 9.0 | 9.6 | |
| Present value of debt/GDP | .. | .. | 45.1 | .. | |
| Present value of debt/exports | .. | .. | 159.2 | .. | |
| | 1977-87 | 1988-98 | 1997 | 1998 | 1999-03 |
| (average annual growth) | | | | | |
| GDP | 4.1 | 4.1 | 5.7 | 4.5 | 5.4 |
| GNP per capita | 0.8 | 1.2 | 2.8 | 1.6 | 2.2 |
| Exports of goods and services | 2.9 | 1.0 | 2.2 | -1.0 | 6.0 |

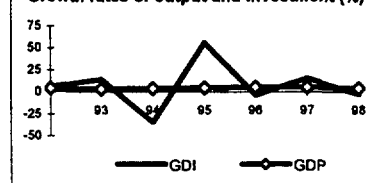
Economic ratios*



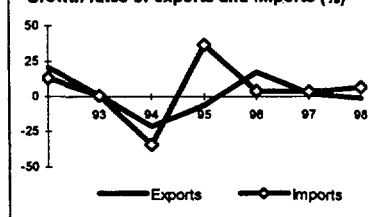
STRUCTURE of the ECONOMY

| | 1977 | 1987 | 1997 | 1998 |
|--------------------------------|----------------|----------------|-------------|-------------|
| (% of GDP) | | | | |
| Agriculture | 31.9 | 33.3 | 38.4 | 38.6 |
| Industry | 12.6 | 12.4 | 13.9 | 13.5 |
| Manufacturing | 9.0 | 7.2 | 8.4 | 8.2 |
| Services | 55.6 | 54.4 | 47.7 | 47.9 |
| Private consumption | 90.7 | 80.8 | 79.8 | 82.1 |
| General government consumption | 8.3 | 15.5 | 10.4 | 9.7 |
| Imports of goods and services | 40.3 | 38.6 | 33.6 | 32.1 |
| (average annual growth) | 1977-87 | 1988-98 | 1997 | 1998 |
| Agriculture | 3.8 | 5.1 | 5.6 | 6.7 |
| Industry | 6.1 | 4.6 | 4.4 | 0.9 |
| Manufacturing | 3.2 | 5.9 | 5.6 | 3.0 |
| Services | 3.9 | 3.2 | 6.2 | 3.8 |
| Private consumption | 1.6 | 4.2 | 4.3 | 9.3 |
| General government consumption | 5.4 | 2.8 | 4.2 | -4.6 |
| Gross domestic investment | 0.8 | 6.3 | 16.3 | -2.5 |
| Imports of goods and services | -1.8 | 2.7 | 3.7 | 6.8 |
| Gross national product | 3.9 | 4.1 | 5.8 | 4.6 |

Growth rates of output and investment (%)



Growth rates of exports and imports (%)

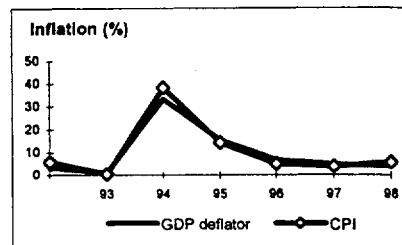


Note: 1998 data are preliminary estimates.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

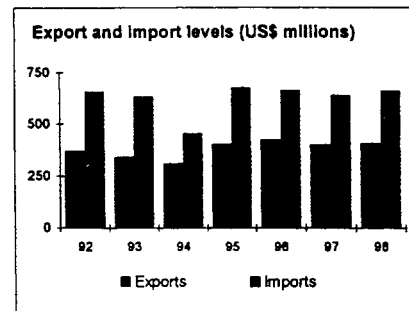
PRICES and GOVERNMENT FINANCE

| | 1977 | 1987 | 1997 | 1998 |
|-------------------------------------|------|------|------|------|
| Domestic prices | | | | |
| (% change) | | | | |
| Consumer prices | .. | .. | 3.8 | 5.8 |
| Implicit GDP deflator | 5.2 | 3.0 | 4.7 | 4.2 |
| Government finance | | | | |
| (% of GDP, includes current grants) | | | | |
| Current revenue | 15.0 | 12.9 | 15.7 | 16.1 |
| Current budget balance | 2.8 | 11.3 | 3.6 | 5.2 |
| Overall surplus/deficit | -4.2 | 11.3 | -3.1 | -0.7 |



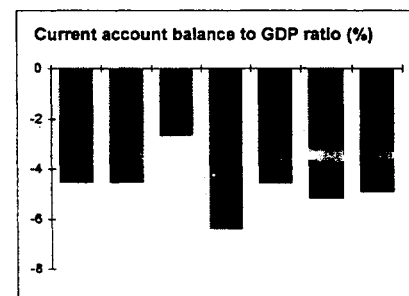
TRADE

| | 1977 | 1987 | 1997 | 1998 |
|-------------------------------|------|------|------|------|
| (US\$ millions) | | | | |
| Total exports (fob) | .. | 366 | 400 | 406 |
| Cotton | .. | 50 | 199 | 193 |
| Crude oil | .. | 11 | 7 | 1 |
| Manufactures | .. | .. | .. | .. |
| Total imports (cif) | .. | 545 | 641 | 662 |
| Food | .. | 182 | 112 | 116 |
| Fuel and energy | .. | 33 | 72 | 74 |
| Capital goods | .. | 130 | 206 | 212 |
| Export price index (1995=100) | .. | 32 | 93 | 95 |
| Import price index (1995=100) | .. | 44 | 103 | 101 |
| Terms of trade (1995=100) | .. | 74 | 90 | 95 |



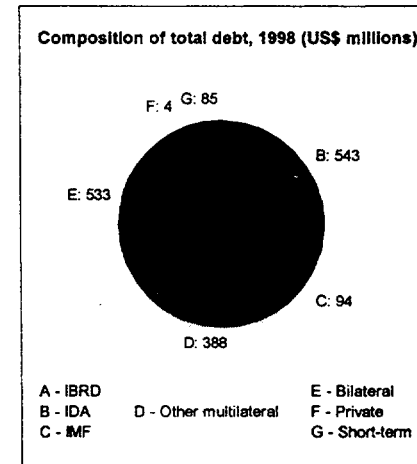
BALANCE of PAYMENTS

| | 1977 | 1987 | 1997 | 1998 |
|---|-------|-------|-------|-------|
| (US\$ millions) | | | | |
| Exports of goods and services | 162 | 457 | 532 | 557 |
| Imports of goods and services | 327 | 602 | 713 | 735 |
| Resource balance | -165 | -145 | -180 | -178 |
| Net income | .. | -29 | -30 | -29 |
| Net current transfers | 38 | 81 | 100 | 94 |
| Current account balance | -127 | -93 | -110 | -113 |
| Financing items (net) | 128 | 58 | 126 | 146 |
| Changes in net reserves | 0 | 35 | -16 | -34 |
| Memo: | | | | |
| Reserves including gold (US\$ millions) | .. | .. | 212 | 266 |
| Conversion rate (DEC, local/US\$) | 245.7 | 300.5 | 583.7 | 589.9 |



EXTERNAL DEBT and RESOURCE FLOWS

| | 1977 | 1987 | 1997 | 1998 |
|--|------|-------|-------|-------|
| (US\$ millions) | | | | |
| Total debt outstanding and disbursed | 167 | 1,194 | 1,624 | 1,647 |
| IBRD | 0 | 0 | 0 | 0 |
| IDA | 32 | 196 | 510 | 543 |
| Total debt service | 4 | 41 | 55 | 60 |
| IBRD | 0 | 0 | 0 | 0 |
| IDA | 0 | 2 | 7 | 8 |
| Composition of net resource flows | | | | |
| Official grants | 14 | 58 | 125 | .. |
| Official creditors | 31 | 57 | 23 | 32 |
| Private creditors | -1 | -2 | 0 | 0 |
| Foreign direct investment | 3 | 0 | 3 | .. |
| Portfolio equity | 0 | 0 | 0 | .. |
| World Bank program | | | | |
| Commitments | 17 | 48 | 0 | 0 |
| Disbursements | 7 | 22 | 20 | 20 |
| Principal repayments | 0 | 0 | 4 | 4 |
| Net flows | 7 | 21 | 16 | 16 |
| Interest payments | 0 | 1 | 4 | 4 |
| Net transfers | 7 | 20 | 12 | 12 |



Annex 10 - Policy statement

POLICY LETTER ON THE USE OF THE LAND SURROUNDING WILDLIFE RESERVES

Wildlife reserves in Benin, namely the Pendjari National Park, the W National Park, and the Pendjari, Atacora, and Djona Game Reserves, in addition to the buffer zones bordering areas, are all concentrated in the far north of the country. They contain a wealth of ecological, economic, and sociocultural resources seldom found in West Africa. The traditional methods for preserving and managing such resources have proven to be increasingly inadequate for effectively protecting the biotic communities in these areas. This is why the Republic of Benin prepared an Environmental Action Plan in 1993, which includes a biodiversity management program. The following measures have been adopted under this plan:

- Preparation in 1994 of a strategy for preserving and managing protected areas;
- Creation of CBDD (the Benin Center for Sustainable Development);
- Creation in 1996 of CENAGREF (the National Center for the Management of Wildlife Reserves), a government agency with scientific, cultural, and social functions, vested with administrative and financial autonomy;
- Preparation in 1998 of an action plan for the conservation and management of national parks. With these activities, the need has arisen to implement, over the next five years, a project entitled "Program for the Conservation and Management of National Parks." This in turn makes it essential to identify more clearly the problems affecting the areas surrounding wildlife reserves and to define appropriate policies for dealing with them. This is why this statement has been prepared.

1.OBJECTIVES OF THE LAND-USE POLICY

The primary objective of the land-use policy is to ensure the ecological sustainability of wildlife reserves through rational forms of land management that are more consciously geared toward protecting them. The priorities are as follows:

- strengthening the Government's prerogatives in formulating policy and regulating land use;
- protecting the borders of wildlife reserves;
- halting the encroachment of farmland;
- eliminating transhumance in wildlife reserves;
- implementing a system for the conservation of biodiversity;
- achieving the sustainable management of natural resources;
- controlling brush fires;
- securing the participation of the residents of bordering areas in the process of management, and sharing the benefits with them;

- providing for the cross-border dimension of the problem by developing regional cooperation in the management of wildlife reserves.

2.COMPONENTS OF THE LAND-USE POLICY

The policy to be implemented will take into account the status of the different types of land.

2.1. Recovery of Enclaves in the W National Park

The national parks are part of the public domain. These lands will be made the direct responsibility of CENAGREF, and will be protected from any exploitation by the neighboring population.

Because some parts of W National Park are currently being used for agriculture by the local communities (mainly for growing cotton), all necessary steps will be taken to put a halt to farming in these areas.

2.2. Strict Regulation of the Exploitation of Game Reserves

Game reserves will also keep their status as part of the public domain. They will be made the direct responsibility of CENAGREF, and by law they will be used for no activities other than hunting and tourism.

The Government will not require that communities occupying strips or enclaves of land set aside as game reserves immediately vacate them; instead, it will restrict their activities, and introduce a system of incentives (see 2.4) for encouraging them to return to the neighboring areas.

Exploitation of these strips of land and enclaves will be regulated by use contracts between the central government and the village communities. The Government will take the necessary steps to halt all technical support for cotton farming on this land.

2.3. Control of Land Use in the Buffer Zones

The areas of land adjoining national parks and game reserves will be made the joint responsibility of the village communities and CENAGREF. The communities will have free access to this land, the use of which must conform to conditions agreed between CENAGREF and the villages.

Priority will be given to reforestation, to meet the need for wood. Village communities will be authorized to create and manage for themselves regulated village hunting areas.

2.4. Promotion of the Rational Management of Peripheral Areas (*Terroirs*)

Areas surrounding wildlife reserves are free of any constraints linked to the protected areas. Because of the extent to which these areas are interconnected with the wildlife reserves, bordering areas may be developed on the basis of land management plans drawn up by the local communities.

Such management plans would have the following objectives:

- promotion of intensive, sustainable agriculture;
- diversification of agricultural operations;
- establishment of nonmigratory stock-raising activities;

- the combining of agriculture and stock raising;
- the development of agro-sylvo-pastoral complexes (with corridors for moving livestock or transhumance, pastureland, reservoirs, wells, etc.);
- the control of brush fires.

For its part, the Government, through CENAGREF and national development institutions, will undertake to provide the necessary legal, technical, and financial support for implementing management plans.

2.5. Control of Transhumance by Local Pastoralists

The policy to be adopted for solving the problem of transhumance will consist of developing systems that will both protect wildlife reserves and meet the needs of the communities engaging in this practice. Measures will include the provision of transhumance corridors, cooperation between farmers and stock raisers, an increase in watering places, etc.

2.6. Control of Cross-Border Transhumance

The Government, with the assistance of the European Union, will endeavor to promote consultations among the neighboring countries in order to find lasting – and generally acceptable -- solutions to these problems.

3. STRATEGY

3.1. Information-Education-Communication

Every effort will be made to achieve the following objectives:

- increase information, education, and communication;
- organize viable village-level activities for preserving and managing biodiversity as a whole, in coordination with other projects and the NGOs specializing in this field;
- promote functional literacy among the people living in the bordering areas, so as to ensure the success of a participatory approach to the conservation of wildlife reserves.

3.2. Development of Village-Level Activities

In order to reduce the pressure of local communities on wildlife reserves, socioeconomic development programs are to be drawn up and implemented by the communities living in the bordering areas, with support from the government authorities responsible for protected areas, national development institutions, and nongovernmental organizations. The priorities to be observed are as follows:

- promotion of income-generating activities;
- establishment of socioeconomic infrastructure;
- promotion of Village Associations for the Management of Wildlife Reserves.

3.3. Development of a Coordinated Approach to the Management of *Terroirs*

A number of development projects that are under way or have been implemented in the areas surrounding wildlife reserves have devised land-management methods for the *terroirs*. In order to assist the

communities in these bordering areas to adopt appropriate techniques, special attention will be paid to preparing a consistent approach.

3.4. Transferring responsibility to Local Government Authorities

Until now, the enforcement of laws and regulations protecting wildlife reserves has remained the sole responsibility of the national parks authorities. Every effort will be made to transfer this responsibility to local government authorities, and to obtain their support.

3.5. Promotion of the Participatory Management of Wildlife Reserves

So far, the conservation and management of wildlife reserves have been the responsibility of the government agency in charge of national parks. Neighboring communities have not been involved in these activities, and have become hostile toward these protected areas. Every effort will be made to develop a participatory approach that will enable the communities to participate in the management of such areas and to share in the profits they produce. This participation will be organized through the village associations that the communities will be invited to establish.

Priority should be given in road repair and maintenance operations to the use of labor from the villages in these surrounding areas. The same holds true for operations for controlling poaching, and for activities relating to ecotourism and hunting.

CENAGREF will introduce and implement an appropriate profit-sharing system for the income generated by the wildlife reserves. This system will involve the following:

- allocation of game quotas to local communities the hunting season opens in the areas that have been assigned;
- payment to the communities of a share of the income from hunting and tourism;
- payments to villagers for work and services performed.

3.6. Coordination of the Participants

In addition to agency responsible for managing national parks, various institutions and organizations (CARDER, development projects, ABE, local authorities, village associations, and NGOs) are active in the areas surrounding wildlife reserves. In order to ensure that the various activities being carried out conform to the requirements for the conservation of the protected areas, policies should be geared toward fostering coordination among all the entities working in these areas.

The various participants will establish regional committees in order to facilitate consultation among them.

4. THE ROLES OF THE VARIOUS PARTICIPANTS

The roles of the various participants can be divided into two categories: public institutions acting on behalf of the Government; and private organizations, including socioprofessional organizations, farmers' organizations, nongovernmental organizations, and private operators.

4.1. The Role of Government Institutions

The following tasks could be performed by government institutions:

- (a) guiding the national land-use policy, by:
- defining a use plan and strategies;
 - developing legal and regulatory instruments;
 - implementing incentives;
- (b) monitoring implementation of this policy;
- (c) monitoring the support measures;
- (d) gathering and disseminating information;
- (e) institutionalizing the land rights of individuals and communities.

Public institutions or others could perform the following functions:

- providing management assistance for farmers;
- supporting village-level organizations.

4.2. The Role of Private Operations

Socioprofessional organizations, farmers' associations, NGOs, and private operators will cooperate with the Government in preparing and implementing land-use plans, training, and infrastructure projects both in the reserves and in the neighboring areas.

5. PRIORITY ACTIVITIES

To achieve the objectives of the land-use policy, priority will be given to the following activities:

- estimating the population living in the areas surrounding wildlife reserves;
- carrying out sociological and demographic studies;
- organizing a consultative forum for the various actors involved;
- carrying out a basic ecological study;
- setting up AVIGREFs (Wildlife Reserve Management Associations) in all villages in the bordering areas.

For the Republic of Benin,
The Minister of Rural Development
Saley G. Saka

Annex 11 - Social Analysis and Participatory Approach

A. Social analysis

The proposed program is built upon the participatory management experimented by the Natural Resources Management Project (PGRN), in the form of Wildlife Management Village Associations (AVIGREF).

Ensuring effective community participation - including transhumant pastoralists - in program execution is acknowledged to be crucial to the success of the operation. Great care would be taken to ensure that the benefits of the program are not captured by a limited elite group inside each community. The utmost transparency of all community-based benefit payments must be assured at all times.

Structured and unstructured community participation in the diagnostic and planning stages of the program are very important. It is, however, important to ensure that these will be followed up by substantial implementation activities. Even though the program has not yet started some communities in the area have already had enough "consultation" and are impatient to get started with implementation.

It will be important to ensure that there are sufficient direct incentives to encourage traditional village hunters to establish and subsequently respect agreed quotas and technical guidelines, and have a vested interest to ensure that all other hunters do as well.

B. Local groups and NGOs consulted:

Local groups:

Guimbagou, Mekrou, Gningninrou, Gningninrou-Pogou, Kerenou, Gbeniki, Pompoma, Dakogui, Soudou, Dare, Igrigou, Gnangnangou, Gnikoga, Sampeto, Kanderou, Gnamborokorou, Tissoua, Kori, Tindarou;

Village Hunting Association Kolegou, Tchawassaga, Mamoussa, Tiele, Sepounga, Tcharaga, Tanougou, Tanguieta, Batia, Sangou, Namemou, Porga I, Porga II, Pouri, Dassiri, Tiega, Nagaesega, Alakora, Thias, Tchoka, Angaradebou, Serekale, Dogban, Bangou, Issinnin, Boefo, Tordzougou, Goungoun, *Union des Associations Villageoise de Chasse de l'Atacora, Union des Associations Villageoises de Chasse du Borgou*;

Womens' Hunting Associations: Alakora, Thia, Tchoka, Angaradebou, Serekale, Dogban, Bangou, Issinnin, Boefo, Torozougou, Goungoun;

Peulh Associations: Tobaga-Peul, Gabaga-Peul, Mamassy-Peul.

NGOs:

IUCN;

Programme Régional d'Assistance Technique pour la Conservation, l'information et la protection de l'Environnement;

Association Régionale pour le développement de tourisme dans l'Atacora;

OXFAM Quebec;

PACIPE;

Action Promotionnelle pour la Femme.

C. Participatory Approach

The national program will be implemented in area where the surrounding population is very poor, and where past relationships between the authorities management wildlife resources and local communities have been antagonistic, and where transborder commercial poaching and transhumance add a substantial complication. On the other hand, the local populations have indicated a willingness to become more actively involved in park management and biodiversity conservation, the government has indicated a willingness to involve local communities and where the capacity of local institutions to plan and implement community-based natural resource management is continually increasing. These elements show that the participatory approach is critical to ensure the success of the program.

The preparation of the program has extensively used a participatory approach - to the extent where some rural communities are reluctant to participate any more in planning as they wish implementation to start without any further consultation. Similarly, program implementation will include the active participation of a wide range of actors. Among the more directly involved in this process has been, and will be: beneficiaries/community groups, NGOs, academic institutions, local government institutions, professional hunting guides, bilateral and multilateral donors and neighboring country officials.

The participatory approach is based on the strengthening of the capacity of local populations in terms of ecological monitoring, the sharing of the benefits drawn from the activities in the protected areas between the local population, the state and the private sector, the employment of local villagers for working with the anti-poaching Parks patrols of CENAGREF, and the development of incentives for sustainable rural activities within the buffer zones.

MAP SECTION

