GEF

Global Environment Facility

MOHAMED T. EL-ASHRY
CHIEF EXECUTIVE OFFICER
AND CHAIRMAN

January 25, 1999

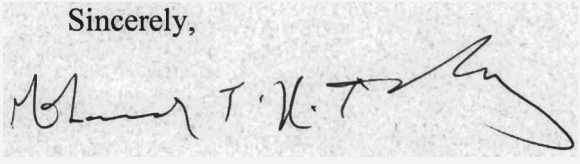
Dear Council Member:

UNDP, as the Implementing Agency for the project entitled, *Lesotho: Conserving Mountain Biodiversity in Southern Lesotho*, has submitted the attached proposed project document for CEO endorsement prior to final approval of the project document in accordance with UNDP procedures.

Over the next four weeks, the Secretariat will be reviewing the project document to ascertain that it is consistent with the proposal included in the work program approved by the Council in November 1997, and with GEF policies and procedures. The Secretariat will also ascertain whether the proposed level of GEF financing is appropriate in light of the project's objectives.

If by February 22, 1999, I have not received requests from at least four Council Members to have the proposed project reviewed at a Council meeting because in the Member's view the project is not consistent with the Instrument or GEF policies and procedures, I will complete the Secretariat's assessment with a view to endorsing the proposed project document.

Sincerely,



Attachment: *Lesotho: Conserving Mountain Biodiversity in Southern Lesotho*

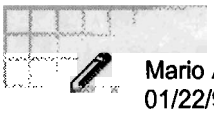
cc: Alternates, Implementing Agencies, STAP

GEF SECRETARIAT, 1818 H STREET NW, WASHINGTON, DC 20433 USA
TELEPHONE (202) 473 3202 FAX (202) 522 3240/3245

Cleared with and cc: Ken, Patricia, Mario

cc: MTE Chron
Circulate BB
Song Li
Ramon
Country file (project)

(letter/circ dp.doc)



Mario A. Ramos
01/22/99 02:24 PM

Extn: 33297 GEF
Subject: Re: Lesotho: Conserving Mountain Biodiversity; Final Council review and CEO Endorsement

John:

I will use what I have her and move the project along. I will let you know when the project goes to council, probably by Monday now. Thanks.

Mario

To: John Hough <Jhough@Undp.Org>
cc: Emma.Torres@Undp.Org
Eduardo.Fuentes@Undp.Org
Alfred M. Duda
Song Li
Ramon Prudencio C. De Mesa
Jocelyn M. Taylor

United Nations Development Programme
GLOBAL ENVIRONMENT FACILITY (GEF)

11 December 1998

Dear Mr. El-Ashry,

Subject: **LES/97/G31/B/1G/99 - Conserving Mountain Biodiversity in Southern Lesotho**

I am pleased to enclose the project document entitled ***"Conserving Mountain Biodiversity in Southern Lesotho"*** which was approved by the GEF Executive Council in November 1997.

As per paragraph 29 and 30 of the GEF Project Cycle, we are submitting this project to you for circulation to the Executive Council Members for comments and, subsequently, for your final endorsement.

Thank you in advance for expediting the review and approval of this project.

Yours sincerely,

Emma Torres
Officer-in-Charge and
Deputy Executive Coordinator

Mr. Mohamed El-Ashry
Chief Executive Officer
Global Environment Facility
Room G6005
1776 G Street
Washington, D.C. 20433
PM

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CONSERVING MOUNTAIN BIODIVERSITY IN LESOTHO

Notes on the Final Project Document

The Project Brief was approved by the GEF Council in October 1997. Finalization of the UNDP Project Document was interrupted by political events in Lesotho. The situation in Lesotho has now stabilized and UNDP activities are back to normal. The details of project activities have been reconfirmed and the project is ready to go ahead.

Council members comments on the Project Brief have been incorporated as follows:

1. The inputs from Council members are noted in paragraph 1 of the Project Document. Paragraphs 45 & 47 refer directly to the STAP Comments.

2. The global biodiversity significance in Lesotho is primarily floral and is threatened primarily by continueing rangeland degradation. Plants, while still subject to the impacts of ecological isolation, are less dependent on large undisturbed protected areas than animals, provided appropriate management is applied to maintain appropriate local conditions, pollination, etc.. Thus the approach – a network of small reserves – is tailored specifically to the needs of global biodiversity conservation, and further, is the only viable approach given the intense population and utilization pressures in the country. Second, each reserve will be surrounded by a negotiated buffer zone which will provide some opportunity for natural dispersion and succession. The precise number of protected areas established will depend on the results of the surveys and prioritization (activities 1.2 and 1.3) undertaken within the project. Paragraphs 5, 7, 15, and 16 explain the logic of the project intervention.

3. Resolving the whole of the immediate mountain biodiversity conservation problem in Lesotho requires a combination of policy and field actions. The document describes the overall combination of interventions being carried out to address the problem in its entirety. The Lesotho Highlands Water Project and the European Union and World Bank activities address field issues in approximately two thirds of the highland area of the country. The GEF funding addresses field activities in the remaining part, as well as testing the methodology of community based conservation areas (which will then be applied in the other areas), and deals with the policy aspects of the problem which apply to all three areas. Thus the document describes a programme of which the GEF funding is a key part – see paragraphs 2, 21 and 48.

4. Similarly, the document describes within its logical framework matrix activities that are being carried out under the Biodiversity Enabling Activity because without these the programme is neither complete nor sustainable. They are not funded by this project, but they are a logical and necessary part of it, and are thus described. Similarly, activities funded by the related GEF projects SABONET and the Southern Africa Biodiversity Support Programme, are considered part of the baseline activity within the system boundary of this project since the global environmental objectives targetted are different.in each case - see paragraph 48. (Note that the Incremental Cost matrix is only summarized in the UNDP Project Document, the full table can be found in the approved GEF Project Brief.).

5. Cooperation with the Lesotho-German technical cooperation project on social forestry has been discussed and direct contact has been established between the two project teams. Cooperative activities on the ground will be advanced once the project is formally launched. Further, the project development team had the benefit of meeting the German evaluation mission looking at lessons learned from the recently completed rural development project in Semonkong (Maseru Dt). (See also under section 2 below).

6. Project Activities 2.2.2 and 2.2.3 deal specifically with incentives, since these are critical to changed behaviours. It is noted that incentives can include factors such as improved lifestyles, enhanced ownerships, etc. Incentives are stressed in Paragraphs 19, 43 & 44. Paragraph 55 also deals with incentives issue under risks assessment. In addition, associated initiatives with which the project is directly linked, such as ASIP and the development of Rangeland Policies, further strengthen the projects ability to address incentives.

7. Paragraphs 20, 25 (iii), 26, 29, and 54 stress the need for the project to work with stakeholders and to forge alliances. In particular a strong linkage to Agriculture is essential to building stakeholder commitment and both the Range Division and the Conservation Division (where forestry is based) of the Ministry are represented on a small Project Management Committee (paragraph 60), as well as the Steering Committee. While the Ministry of Agriculture, is foremost at the central government level, other agricultural institutions such as the 'Livestock Management Areas', and in particular the village grazing associations, are critical at local levels. All of these will be directly and fully involved in project activities.

8. The information system relates to the overall pattern of biodiversity in Lesotho and thus is a national level system to be based in the National University of Lesotho (paragraph 23.3).

9. The Project Workplan shows the activity for each quarter of the project lifetime, the crosses indicating activity during that calendar quarter.

Notes on Revised Version of:

Conserving Mountain Biodiversity in Lesotho

1. The cover page has been amended to reflect the new format.

2. As requested a new annex, Annex 4, has been added which lists all of the project outputs (see logical framework matrix) and shows the linkages of these to other relevant projects in the region, particularly those that are GEF financed (ie. SABONET, Lesotho's Biodiversity Enabling Activity, and the Southern Africa Biodiversity Support Programme.

3. The focal point letter of endorsement of 28 July 1997 is attached. We do not understand how this became separated from the copies that you reviewed.

4. In addition to the previous explanations of the linkages with the Lesotho Highlands Water Project (in particular Paragraph's 5, 8, 28 and the Map), paragraphs 21 and 26 have been modified to more clearly explain these linkages. They are also shown clearly in the new Annex 4 and mentioned in the Project Summary.

5. The Project Summary introduces the complementarity between the three programme components (each funded by different donors, including possibly the World Bank). Paragraphs 15, 18, 21 and 26 have been modified to highlight the relations between both the internal programme components, and the programme as a whole and the proposed multi-donor Agriculture Sector Investment Programme in which both UNDP and the World Bank are involved. Paragraph 28 and the map also explain the complementarity and linkages. Annexes 1B and 1C show the relationship between the draft National Biodiversity Strategy and Action Plan and the programme.

6. The budget allocation for "project coordination" was clearly misunderstood as this included consultant and other inputs which were spread across more than one specific output. In order to remove any potential misunderstanding these inputs have been pro-rated across all of the outputs. Annex 5 (previously Annex 4) provides full details of exactly what the inputs are. Please note that in UNDP projects where the execution mode is "National" 100% of the project financing goes to government – in this case the National Environment Secretariat. Government then chooses how to procure the services it requires. If it chooses to procure certain services through UN agencies then it pays any overheads charged by those agencies for the services they perform – as in all service procurement.

7. The logical framework matrix (Annex 3) explains that the $64,000 allocated to "sustainable financing mechanisms" is to investigate and establish appropriate financial mechanisms, structures, and management systems, including probably a trust fund. This work is to be done as part of project activities. Therefore we cannot specify "mechanisms for its establishment and management" at this stage. Please note that no GEF resources are allocated for capitalization of any such trust fund.

John Hough, 25 September 1997

UNITED NATIONS DEVELOPMENT PROGRAMME
GOVERNMENT OF LESOTHO
PROJECT DOCUMENT : GLOBAL ENVIRONMENT FACILITY

Project Title:	Conserving Mountain Biodiversity in Southern Lesotho
Project Number:	LES/97/G31/B/1G/99
Country:	Kingdom of Lesotho.
GEF Focal Areas	Biodiversity - Mountains & Land Degradation
Executing Agency:	Government of Lesotho
Implementing Agency:	National Environment Secretariat (NES) in the Ministry of Environment, Gender and Youth Affairs
Cooperating Agency:	UNOPS
Estimated Start	March 1999
Project Duration:	Five years.

UNDP and 3rd party financing:
- GEF: $2,485,000
- Government: $530,000
- Co-financing: $9,380,000

TOTAL: $12,395,000

Financing Details (US$ mill)	Baseline	Intervention	Totals
Government Inputs	0.250	0.280	0.530
Other Donor Inputs	4.750	4.630	9.380
GEF Inputs*	**0**	**2.485**	**2.485**
TOTAL	5.000	7.395	12.395

****Plus GEF PDF A allocation of $25,000 thus a total GEF contribution of $2,510,000.***

Brief Project Description The Kingdom of Lesotho contains some 70% of the Drakensberg-Maloti Mountains, recognized as the Eastern Mountains "Centre of Biodiversity and Endemism" of southern Africa. The Mountains have globally significant plant diversity, with unique habitats and high endemism. These resources are increasingly degraded by a grazing regime based on communal access, with reduced regulatory capability. Lack of ownership restricts investment in conservation. Lesotho has the lowest Protected Area coverage of any nation in Africa (<0.4%). Biodiversity is thus at risk.

This UNDP GEF project provides two distinct but complementary interventions. The first is to work with government and communities to create a network of small protected sites, targeting specific biodiversity values. The second objective addresses conservation more broadly, by seeking to incorporate biodiversity values in rangeland management systems. This will require inputs to policy review as well as developing incentive and regulatory systems within central, district and community organisations.

This GEF project focuses on the rangelands of Quthing District in south Lesotho, but will link with other biodiversity initiatives. The project will use National Execution modalities, with implementation through institutions with comparative advantage, including Range and Conservation Divisions in the Ministry of Agriculture, National University of Lesotho and NGOs. The National Environment Secretariat (NES) provides oversight and coordination. A National Project Manager and Chief Technical Adviser will be based in NES. A District Project Officer will be in Quthing.

Approved on Behalf of : **Signature** **Date**
Name/Title

The Government of Lesotho _____

United Nations Development Programme _____

United Nations Office for Project Services _____

Contents

List of Acronyms Used in this Proposal.

ASIP	Agricultural Sector Investment Programme
BD	Biological Diversity, Biodiversity
BSAP	Biodiversity Strategy and Action Plan
CBD	Convention on Biological Diversity
CBO	Community Based Organisation
CTA	Chief Technical Adviser
DANCED	Danish Council for Environment and Development
DAO	District Agricultural Officer
DIFD	Dept of International Development (ex ODA in UK)
DPO	District Project Officer
DSC	District Steering Committee
EIA	Environmental Impact Assessment
EU	European Union
GEF	Global Environment Facility
IFAD	International Fund for Agricultural Development
IUCN	International Union for Conservation of Nature
LHDA	Lesotho Highlands Development Authority
LHWP	Lesotho Highlands Water Project
MoAg	Ministry of Agriculture
NBO	National Biodiversity Officer (a post in NES)
NES	National Environmental Secretariat
NEX	National Execution Modalities
NPM	National Project Manager (for this project)
NPSC	National Project Steering Committee
NGO	Non-Governmental Organisation
NUL	National University of Lesotho
PA (s)	Protected Area (s)
PMC	Project Management Committee
PPC	Protection and Preservation Commission
PPER	Project Performance and Evaluation Report
RMA	Range Management Area
SABONET	Southern Africa Botanical Network (A GEF Project)
SADC	Southern Africa Development Council
TPR	Tri-Partite Review
UNEP	United Nations Environment Programme
UNDP	United Nations Development Programme
UNOPS	United Nations Office of Project Services
VDC	Village Development Council
WB	World Bank

PREAMBLE

This Project Document is a modification of the earlier Project Proposal which was submitted to the GEF for funding and which was approved at the GEF Council meeting of October 1997. The Document is written in UNDP format, and takes into account the Comments raised by the STAP Reviewer and GEF Council Members.

COUNTRY / SECTOR BACKGROUND AND THE PROJECT CONTEXT

1. The small and mountainous country of Lesotho, surrounded by South Africa, is one of the worlds poorest nations. The economy is dependent on livestock based agriculture and a large proportion of the workforce finding employment in South Africa. The mountain grasslands and heathlands are exceptionally rich in biodiversity[1]. However, they are also heavily over-grazed with severe erosion, loss of watershed capacity, loss of preferred species with an invasion of woody shrubs, and a worsening livelihood for pastoralist people. This degradation was recognized in the mid 1930s, but has been greatly exacerbated by recent human population growth. A traditional communal tenure system operated by Chiefs with declining powers, has been unable to regulate such overuse. Biodiversity values are degrading.

2. Recognition of the biodiversity values of the mountains has led to the recent development of a series of project proposals. These are:

Biodiversity activity in the Lesotho Highlands Water Project: sites 1a and 1b in central Lesotho.
Biodiversity activity in the eastern mountains bordering Natal, by the European Union.
World Bank support to Peace Parks for the border areas of Lesotho and Zululand/Natal.
This GEF funded project proposal targeting the southern mountains, and key issues of policy.

The development of this UNDP GEF project took place in close consultation with the first two projects. The third is a more recent development. Together they form a large part of the Co-Financing for the overall project objective.

3. This UNDP GEF project will support the globally significant biodiversity within the as yet little protected afro-alpine habitats of the Maloti-Drakensberg Mountains in Lesotho in four distinct ways:

- Creating institutional mechanisms, awareness and information sets to increase the proportion of conservation protected area from the present low level to ensure more representative coverage.
- Creating the enabling environment at central, district and local level that will allow a greater focus on rangeland biodiversity values within existing pastoralist and range management practices.
- Networking with national agencies and regional agencies to ensure that biodiversity issues are integrated into the overall country development framework.
- Demonstrating such activities in the southern mountains of Lesotho in Quthing District.

[1]The biodiversity values of Lesotho are detailed in Annex 1 to this project document. The information is taken from the GEF-UNDP funded Biodiversity Strategy and Action Plan which has a biodiversity Country Study Component. Most biodiversity values are floral. See information in:B.J. Huntley, (Ed) 1994. Botanical Diversity in Southern Africa. NBI. Pretoria.

Biodiversity Importance

4. The Kingdom of Lesotho occupies an area of some 30,400 square kilometres, much of which is rugged mountainous terrain, with peaks of the Maloti-Drakensberg mountains rising to 3,482 metres (see map in annexes). Local ecological and climatic conditions are altitude dependent, and subject to wide seasonal and geographical variation. Mean annual rainfall ranges from 500mm in the south to 1,200mm in the Eastern Highlands, where heavy snowfall is common during winter months. The area over 2,000m is referred to as the afro-montane grasslands and that over 2,700-m altitude is referred to as the afro-alpine grassland or heathlands; both have significant floral biodiversity.

5. The Drakensberg (or Quathlamba) Mountains of KwaZulu-Natal and the adjacent Maloti Mountains of Lesotho form an area of outstanding natural beauty and a recognized centre of diversity and endemism, with extensive zones of Afro-Alpine and Afro-Montane vegetation, unique wetland habitats and high levels of endemicity. High mountain systems are recognised as biogeographical islands, and typically support plant and animal communities found nowhere else. The highlands of Lesotho and the Drakensberg range are no exception, the Lesotho Mountains constitute the largest part of the Eastern Mountains "Biodiversity Hotspot" of Southern Africa. The flora of the hotspot is estimated as 1,750 species with 30% endemics. Annex 1 describes the biodiversity values of this area in some detail.

Strategically Important International Water Resources

6. The Lesotho Mountains support the Lesotho Highlands Water Project (LHWP), a major multi-laterally funded scheme for the capture and transfer of water to the industrial heartland of South Africa, and the generation of hydro-electricity in Lesotho. The scheme is planned for implementation in phases over a thirty-year period, and should provide substantial royalties from water supply for Lesotho well into the next century. The maintenance of good vegetated watersheds (ie with biodiversity values intact) is seen as an essential pre-requisite to sustainable water supply.

Threats to Biodiversity: General

7. Lesotho has the lowest proportion of conservation protected area of any country in Africa (formal reserves total < 0.4% of land surface). There is one small Wildlife Sanctuary of 65 sq km, and proposals for further small reserves associated with the water project. As such, the whole biodiversity resource must be considered as under threat! Outside the protected areas biodiversity is lost through the degradation of vegetative cover through heavy grazing, through over-frequent burning; and, especially for wetlands, through erosion. Heavy grazing leads to loss of palatable species and weed encroachment.

Root Causes of Biodiversity Depletion: Increasing Competition for Finite Resources.

8. Lesotho has a population of 2 million people, increasing at a rate of 2.6% per annum. If current trends continue, numbers will double by the year 2020. Less than 15% of the land area is suitable for arable farming, and agricultural productivity is low. Most of the population is concentrated in the lowland western third of the country, where competition for limited land resources is intense, and soil erosion is widespread. 90% of rural household energy needs are derived from biomass, in the form of fuelwood (almost non-existent), shrubs (increasing pressure), dung and crop residues. Therefore, stocks of woody vegetation have been greatly reduced, and the beneficial effects of manuring crops are limited. Livestock are maintained at stocking levels above long-term carrying capacity, resulting in extensive degradation of rangeland including the highlands.

Specifically threats to biodiversity are exacerbated by the communal land tenure system on the mountains, which does not provide incentives for resource conservation. In the past, resource use

regulation was by a system of hereditary chiefs. This is breaking down as population pressures continue to rise, and processes of democracy empower village governments.

Regulatory and Institutional Context: Environment Law and Policy

9. The main policy and regulatory institutions are within Central Government, although the Principal and Area Chiefs and Village Headmen wield considerable power in terms of regulating natural resource and land use. There has been an increasing trend towards decentralisation of planning and implementation, culminating in the Local Government Act of 1997, which further empowers village, ward and district development councils.

10. Lesotho is undergoing a series of sectoral and cross-sectoral policy analyses at the moment. There has been widespread acknowledgement of the relative failure of past policies and legislation. Significant policy changes include a revised Environmental Policy and, following the policy, an Environmental Management Bill is shortly to go to Parliament. Both the policy and law processes have been supported by UNDP and UNEP, and both give considerable coordination and monitoring function to the National Environment Secretariat (NES), which is the designated lead agency for this project. In 1989, Lesotho prepared a National Environmental Action Plan, which was revised, in 1994, to reflect the principles of Agenda 21.

11. A major Agricultural Sector Implementation Programme (ASIP) is currently under final appraisal. This initiative to be funded by World Bank, IFAD, ADB, GTZ & DIFD and others will address the long standing issues of agrarian reform, including land and resource tenure. A Biodiversity Action Plan and Strategy for the sustainable conservation and management of biodiversity, funded by UNDP - GEF, is being finalised by NES with extensive stakeholder consultation. The draft strategy spells out the need for immediate support to the mountain areas, recognized as key areas for biodiversity conservation in the country; the strategy emphasises the need for support to policy processes, etc. Extracts from the strategy are summarised in Annexure 1b.

Regulatory and Institutional Context: Community Involvement.

12. Several range management initiatives have attempted to reduce the problem of overgrazing over the past fifty years, with a conspicuous lack of success. Recently however the clear need to involve people in such decision making has been stressed. Village Development Committees, Grazing Associations with power over their Range Management Areas are being developed with support by new legislation and programmes. Range Adjudication processes are now affirming user rights and defining rational user-group controls to rangelands. This UNDP GEF project will work with and complement such activity. District Governments are being strengthened; UNDP's governance programmes operate at district level, and this project will seek opportunities for district level implementation of activities.

13. NGOs and CBOs exist, but are relatively weak in the natural resource management sectors. However the policies see them as playing a crucial role in biodiversity processes. WhilstCBOs are new and weak, the people through their communal title to virtually ALL land, have immense but untapped power for controlling biodiversity. Quthing Wildlife Society is one of the stronger NGOs with good links to communities.

PROJECT HISTORY

This project originated from discussions between Government (NES) and UNDP in 1994, leading to a Block A Grant in 1995. Preliminary ideas of project support were outlined in 1995 and early 1996. This over-lapped with the development of the Drakensberg-Maloti Mountain Conservation Programme to be

supported by the European Union (also to be executed through NES), and the publication of the LHWP Environmental Impact Assessment and Plan for Phase 1b. As a result of the level of interest shown by Government, UNDP fielded a series of missions to develop the project proposal in more detail. These missions coincided with support to the developing Biodiversity Strategy & Action Plan funded by GEF. This present project was seen as a major priority of the BSAP. The proposal was approved by GEF Council in October 1997.

CONCEPTUAL FRAMEWORK

15. Biodiversity loss in Lesotho is a result of two inter-linked issues. Firstly, there are few protected areas which protect biodiversity through specific design. Secondly, biodiversity on the open access rangelands are degrading rapidly due to increasing human populations placing pressure through overgrazing and poor farming practice. Communal land tenure, with grazing and land resources being allocated in traditional ways by the chief has not encouraged community investment in resource conservation. New legislation restricts chiefs' regulatory roles and instigate the formation of Grazing Associations for Range Management Areas. The project will build on these institutional foundations so as to support biodiversity values.

16. Most biodiversity values are floral, the larger mammals have been largely gone for several decades. A well designed network of small core areas within buffer zones of managed habitat would adequately protect most biodiversity values. Rangelands are overgrazed, and it will be difficult to gazette large areas as free of livestock grazing. The project concept therefore, is to work with the existing mechanisms of Range Management Areas and their Grazing Associations, to develop internal core areas which will act as protected areas for biodiversity. These core areas will be buffered by a greater biodiversity appreciation within the remaining range areas. This localised small pattern of community protected area within resource management areas is the innovative feature of this project, that will be field tested in Quthing District.

17. Putting these proposals into practice will need the creation of a supportive policy environment, reducing institutional barriers, further empowerment of communities, and the development of capacity at central district and local levels.

PROJECT STRATEGY

18. The agreed biodiversity conservation problems which this intervention will address (see Annexure 3) can be framed as follows:

- The present protected area network is inadequate to conserve the range of biodiversity in Lesotho.

- There is a continuing loss of biodiversity within the highland areas as overgrazing pressures continue. The demand for grazing, for crop-land, for fuelwood is greater than the supply of those resources;

- There is no ability to regulate such demand and supply by either the regulatory agencies or by the local communities.

19. Project strategy therefore, is two fold :

A. To provide an enabling environment at central, district and local community levels, which will allow a biodiversity conservation ethic to enter the present pattern of land use. This enabling

activity includes policy analysis and reform. This includes review of user access to resources, empowering community groups such as Grazing Associations, commissioning studies on biodiversity distribution and resilience, as well as strengthening the central and district functions to monitor and regulate use of resources. Development of incentives for conservation, and linkages to the private sector in terms of tourism development will be strengthened.

B. Field level activity, developing small protected areas in association with local communities, NGOs and both district and central authorities. This will enable the testing of the modalities developed in 1 above.

20. The project will be based in the coordinating institution for biodiversity - the National Environment Secretariat. From that base, the project will develop entry points into the local district decision making systems with linkages downwards to the ward and village councils, and grazing associations; as well as into relevant central government departments - in particular the Ministry of Agriculture, and the private and NGO sectors. The project will assist in the development of cross- border linkages to Southern Africa.

21. In field activity, the project will not overlap spatially with other initiatives, but will concentrate on the mountain ranges of the South, in Quthing and neighbouring districts. This GEF project, in its formulation phase was in close contact with the other biodiversity projects. Their continuing interaction with NES will ensure coordination during implementation.

The project will seek to empower communities in the highlands to have a greater say in the use of their pasture lands. The presence of an active NGO in Quthing will facilitate such inputs. The project will also liaise with the central government policy making systems. It will directly target the need to create an appropriate local policy and decision making environment, and will address the key concern of developing sustainable conservation initiatives to reduce biodiversity loss at these sites. The project is based on donor collaboration, with the GEF, EU and developing WB interventions focusing on the rangeland and wetland biodiversity resources themselves. Other donor initiatives (eg ASIP) will support the improvement of agricultural and livestock practices, including agrarian reform measures, in the communities around the biodiversity sites.

PROJECT OBJECTIVES AND OUTPUTS

22. The long term goal or Development Objective of this Project Proposal is: " to ensure the conservation and sustainable utilisation of unique alpine and montane landscapes in Lesotho. Under this are two separate but complementary Immediate Objectives :

Immediate Objective A: A planned and rational network of Protected Areas is in place which adequately covers the extent of Lesotho's Biodiversity.

Immediate Objective B: Improved resource management systems reduce the rate of biodiversity loss outside formal Protected Areas.

Activities fall within fifteen Outputs addressing the two Immediate Objectives. These are described in detail in the Logical Framework Matrix (Annexure 4) and are summarized below.

23. Immediate Objective A deals with increasing the present extent of Protected Area from 0.4% of the country's land area. Pressures on land mean that these areas in most cases will not be full Parks but will be managed resource conservation areas (IUCN Category 6), with small core areas offering greater protection to plant communities. Working with communities will be a key activity.

The 7 Outputs under Immediate Objective A address:

(1) The institutional mechanisms to develop a PA network.
This includes creating a cross-sectoral Biodiversity Committee with a mandate to developPAs. The lead agency NES and main implementing agencies (Ministry of Agriculture and focal District -Quthing) will require enhanced capacity to address biodiversity issues.

(2) Surveying sites of potential for PA status.
The BD strategy "Country Study" component has identified spatial gaps in knowledge, and recognized plants and birds as key indicators. This output will undertake necessary survey of key sites - emphasising bogs and cliffs in the mountains and woody vegetation elsewhere. Quthing District will be first priority.

This differs from the research / database activities under output 1.3 below, both are compatible with GEF guidelines on targeted research, activities are less than 10% of total budget.

(3) Prioritising and coordinating biodiversity research, database and monitoring activity as it affects PAs.
Past studies were ad-hoc supply driven. Assessment of resources use patterns, value systems, restoration procedures, traditional knowledge etc need strengthening. This output prepares a biodiversity research plan, and NES seeks further donor support. The scientific spoke of the NES database hub will be at NUL.

(4) Developing methods for Community Protected Areas.
The rapid development of decentralised systems in Lesotho offers great opportunity for meaningful dialogue with communities. The Quthing Wildlife Society in Quthing, the LHDA in Phase 1b have shown the benefits of such participatory approaches.

(5) Networking on PA development with neighbouring South Africa.
South Africa (mainly Kwa-Zulu Natal) have indicated interest in furthering cross-border linkages. This proposal is to provide Government with the capability to develop such linkages, including Eastern Cape adjacent to Quthing.

(6) Linking with tourism development plans, so as to afford alternative employment,
Lesotho is poorly developed and marketed for tourism, although the Biodiversity (BD) and scenery values have much to offer. This proposal supports NES to develop eco-tourism proposals for further funding.

(7) Raising awareness of values of BD, and methods for sustainable use of BD within communities.
Building on existing value systems to incorporate BD resources is the key here. Awareness needs are at Village and District Government level, using communities and schools as sites of dissemination.

24. Immediate Objective B deals with the increased conservation of biodiversity resources outside the Protected Area network. This involves policy and user group access and empowerment, developing guidelines for BD resource management in rangelands. Stronger district and NGO networks will be needed as well as a stronger national focal point for biodiversity within in NES.

The 8 Outputs under Immediate Objective B address :

(1) Policies analysed and revised, including better resource valuation systems, and user group access and land tenure analysed as to provisions which impact on biodiversity.

(2) Economic valuation and analysis are little used in resource conservation planning in Lesotho. The proposal is to increase the understanding of the economic values of rangeland resources and factor these

values into decision making, including strengthened EIA activity.

(3) Mechanisms for longer term funding. Trust fund mechanisms to provide incentives for conservation at community level will be developed. The water transfer royalties from the LHWP, and planned Environmental Fund offer a base to start from.

(4) Transhumance reduced and grazing associations and local authorities strengthened to regulate livestock influx into highland pastures.

(5) BD concerns are built into regulatory mechanisms. This will work from community level upwards, including traditional conservation mechanisms.

(6) Regulatory agencies with clear mandates for biodiversity and adequate capabilities. The role of the Ministry of Agriculture at central and district government are crucial to successful conservation objectives. At field level in Quthing District, such agencies will be supported.

(7) Awareness is raised on biodiversity issues within communities. Awareness is required at all levels of society from Councils and Communities to Government Agencies with regulatory functions.

(8) The lead agency and partners with enhanced capacity for coordination and monitoring. This includes District and Central agency staff as well as the NGO partner.

25. At the completion of the project, there will be:

i A more complete protected area network for biodiversity; part of which will be as managed resource use areas with local people. Community management of Protected Areas (PAs) will have been field tested in Quthing district.

ii Mechanisms in place to protect biodiversity resources outside the Protected Areas. Participatory Management Plans for Range Management Areas developed and in place. The policy regime reinforces such communal initiatives.

iii A stronger network of biodiversity institutions, from NES the focal point for biodiversity, through the sectoral agencies and districts to the communities which use and manage the resources directly. Agencies which promote environmental awareness and educational outreach as well as those that collect and disseminates information on biodiversity resources will be included in the networks,. This project will collaborate with the two larger regional GEF projects which target botanical information (SABONET), and regional linkages via SADC.

iv An integrated bio-regional approach to biodiversity conservation and watershed management will be in place, and, by so doing, making a significant contribution to a fully integrated programme of community development, biodiversity conservation and watershed management.

BENEFITS AND BENEFICIARIES

26. Beneficiaries are varied; the principal beneficiaries will be the inhabitants of the mountain area, who will gain greater control of the resources close to their homes. Other initiatives (eg ASIP) may provide some alternative through stall feeding of higher grade cattle.

Lesotho will benefit in the long run through greater attention being given to range resources. NES, the nation's main environmental organisation, and the Range and Conservation Divisions of the Ministry of Agriculture will have gained in capability. Resource management in Quthing District, including NGOs and CBOs, will have gained in field capability.

The global community will have gained in terms of protected biodiversity resources under sustainable use. Regional environmental benefits of the project include, in addition to the protection of unique Afro-Montane and Afro-Alpine flora, the adoption of sustainable land management practices in head water catchments of an international river system of major importance. Land degradation will be reduced.

PROJECT DESCRIPTION

27. The project will strengthen national capacity for biodiversity conservation in Lesotho and promote effective implementation, through provision of technical support to the National Environment Secretariat in the Prime Minister's Office. A core management unit will be established by NES to initiate, co-ordinate and oversee a programme of inter-related project activities, implemented by various agencies. Key components of the overall programme are summarised in Annex 3. Key institutions are described below.

28. Lesotho's National Environment Secretariat was established in 1994, with the support of UNDP, and has broad responsibility for coordinating environmental activities, overseeing implementation of Agenda 21 initiatives, including the conservation of biological diversity and the promotion of sustainable mountain development. The Secretariat is, however, under-resourced for the wide range of responsibilities that it is trying to undertake. The project will provide needed technical and material support for the establishment of a core biodiversity programme management, co-ordination and training unit within the Secretariat. The unit will provide a focal point for all activities related to biodiversity conservation. It will also be responsible for the designation of collaborative links and establishment of a National Biodiversity Database with linkages to other centres of expertise.

29. The Ministry of Agriculture has the mandate for the development and conservation of rangeland resources, the focus of this project proposal. The Ministry, either through its central offices or district resources will implement many project activities. Two parts of the Ministry are relevant:

The Range Management Division in the Department of Livestock Services, and
The Conservation Division in the Department of Forestry, Conservation and Land-Use Planning

The RMD would largely be involved with activities under Objective B, and the Conservation Division with Objective A. In both cases, capacity building support in terms of training and technical expertise would be required.

30. Quthing District is in the far south of Lesotho adjacent to Eastern Cape Province of South Africa. The District rises from densely populated lowlands to over 3,000 m asl, and has a variety of soil and habitat types. Quthing is not part of the LHDA programme and has little other major donor support. Quthing has one Range Management Area (RMA7) and the District is presently undergoing the process of Range User Adjudication, identifying areas and their user groups, (EU STABEX funding support). Such adjudication sets the pattern for future RMAs.

Quthing District was the focus of a 1980s IPAL - UNESCO project looking at drought prone areas. The 1989 project report identified natural areas of value as gene banks.

Range and Conservation issues are the responsibility of the District Agricultural Officer, who is responsible to the District, but with technical advice from the Ministry. The DAO is assisted by technical officers including Range and Conservation Offices, but there are staffing constraints (exacerbated by structural adjustment reforms).

31. Quthing Wildlife Society, a voluntary members organisation, has been in existence for many years, and is the leading wildlife society in Lesotho, although most activities are in the south. QWS has identified areas of potential conservation significance (on floristic and birdlife values) and is seeking support for their management. The NGO has good relationships with Government and People, and is developing communal conservation initiatives. The NGO will need further field capability and technical and managerial support.

RATIONALE FOR GEF FINANCING:

32. Lesotho is eligible for UNDP and World Bank support, participates in the GEF, and has ratified the Convention on Biological Diversity. Lesotho has an active NEAP and Agenda 21 process. Because of this a revised Environment Policy and Framework Environmental Legislation are virtually complete (support from UNEP and UNDP). Both law and policy give special recognition to biodiversity, indeed the law provides for private citizens to sue for despoilation of biodiversity, even by Government

33. Lesotho is finalising a Biodiversity Strategy / Action Plan at present. Key recommendations include : support to Protected Area mechanisms especially at community level, supporting maintenance of productive biodiversity rich rangeland outside these PAs, developing an enabling environment through policies and incentives as well as empowering people and communities. Annex 1B lists some major actions.

34. This project will assist Lesotho in the implementation of the Convention on Biological Diversity. The key provisions of this project follow from the GEF funded Biodiversity Strategy and Action Plan process, which is aimed at addressing the concerns of the CBD. In particular it promotes regional cooperation (Article 5), supports many provisions of the developing biodiversity Action Plan (Article 6), establishes sustainable development around protected areas (Article 8), develops policy and fiscal incentives for conservation (Article 11), includes training (Article 12), and technical and scientific cooperation (Article 18).

35. With respect to the Guidelines for the GEF Biodiversity Work Programme, and the Programme Priorities of the Conference of Parties, the project :

Is largely country driven and is endorsed as a national priority by the GEF Focal Point.
Promotes and strengthens human resources and skills and promotes local expertise.
Reduces risks from scientific and economic uncertainty by increasing and improving environmental information to support decision making and action.
Addresses the root causes of global environmental deterioration through reducing institutional, resource tenure, user rights and policy weaknesses.
Develops capacity at decentralised and community levels to manage sustainable resource use.
Assists Lesotho to fulfill her obligations under the Convention.
Integrates biodiversity into Agricultural Development

36. The project directly addresses one of the GEF Operational Programme Priorities : Mountain Ecosystems in that : "the project seeks to protect representative habitats and strengthen the protected area network in the alpine and montane grassland zones". "The project will demonstrate and apply best

practices for integrated landscape management". The project would develop linkages for cooperative management with adjacent Southern Africa Institutions. Further, the cross-cutting issue of land degradation is addressed.

SUSTAINABILITY, PARTICIPATION AND COMMITMENT

Government Commitment

37. Lesotho was one of the first countries in Africa to prepare a National Environmental Action Plan, and a National Environment Secretariat (NES) has recently been established in the Office of the Prime Minister. Amongst many other functions, the Secretariat is responsible for co-ordinating and overseeing implementation of Agenda 21 initiatives in Lesotho, which have been incorporated in a revised Action Plan and include Conservation of Biodiversity and Promotion of Sustainable Mountain Development, as priority concerns of Government. The Secretary General of NES, as the GEF Focal Point for Lesotho, confirmed Government approval for, and strong commitment to, this project.

Financial Commitment

38. Government will allocate staff and resources to biodiversity within NES, and build linkages at district level. UNDP through its CCF resources is continuing to support general capacity within NES. Discussions with UNDP/NES have led to the inclusion of core staff posts in NES for creating a biodiversity unit, starting within the 1999-2000 Financial Year. This project will provide short-term support for such a post. The Biodiversity Unit will have responsibility for project monitoring and coordination (this GEF project, EU project and WB Peace Park activity), for implementing other outputs from the BSAP process, for EIA activity etc.

39. The LHWP will deliver quality water to the industrial heartland of South Africa, for which Lesotho receives royalty payments, currently estimated at US$55 million per annum. Effective watershed management, including conservation of vegetation, land use planning, zonation of activities, reduced soil erosion and pollution control will maintain water quality and extend the useful life of the water project infrastructure, through reduced levels of sedimentation and will thus contribute to the sustained flow of benefits to both Lesotho and South Africa.

40. The key to long term sustainability of the impact of this biodiversity project and the financing of future recurrent costs, is the allocation of a proportion of water export royalties from LHWP to the maintenance of an integrated environmental management programme which will support biodiversity conservation. There is an obvious need to commence the process of biodiversity conservation and watershed management as soon as possible. As some of these revenues are already being disbursed, it is useful to consider a Trust Fund for biodiversity support. For example 1 mill $ per year for 5 years could create such a fund, whose interest payments could be used to maintain biodiversity. Such a fund would extend the security of financing beyond the regular year GEF project..

Whilst there is interest in these ideas from within Government and LHDA, these issues would be discussed further from within the project, enlisting specialist Trust Fund expertise from GEF.

Stakeholder Commitment

41. The project has a wide range of potential stakeholders, with a variety of concerns and differing levels of commitment. These include: affected groups of both consumptive (livestock owners, herders and gatherers) and non-consumptive users (tourists and recreational users); implementing agency staff (NES,

LHDA, Ministries of Agriculture, Education and Natural Resources; national and regional policy makers; national and international NGOs (Lesotho Council for NGOs; Highlands Church Action Group, Quthing Wildlife Society, etc); donors; national and regional universities, research organisations; private sector groups; hoteliers and tour group operators.

42. At grassroots workshops organised around this project development, many stakeholder organisations expressed concern at resource degradation, and support to improved resource conservation. General public and local community participation and support are recognised to be of critical importance to the long term sustainability of both biodiversity conservation and watershed management in Lesotho. The project invests in awareness and education programmes.

Incentive and Regulatory Systems

43. An appropriate incentive and regulatory system for biodiversity conservation and watershed management has not yet been established in Lesotho, although draft environmental legislation which addresses the issue of incentives is being finalised. The Biodiversity Action Plan recognized the need for greater use of incentives and disincentives. Developing such inputs forms a component of this project.

44. Why should local communities invest in the conservation of biodiversity? There are many answers to this question. A range rich in biodiversity is also a productive range. Voluntary range closures in south Quthing have led to increased dry season water flows. Voluntary setting aside wetlands and other areas of high biodiversity importance does need an incentive. The water royalty system and environmental fund offer mechanisms for fiscal incentives for conservation. This UNDP GEF project seeks to develop such incentives, and this is the incremental cost in overcoming existing barriers in the use of domestic resources for global benefits (see below 53.3).

LESSONS LEARNT AND TECHNICAL REVIEW

45. The GEF project will build on the experiences and achievements of successful community based projects, which have demonstrated the efficacy of participatory development and support for grass-roots initiatives involving village/district level land use planning, production through conservation and range management. These include the LHWP Phase Ib Participatory Committees, Quthing NGO initiatives, and the Ministry of Agriculture Range Area Adjudication Process. GTZ supported Social Forestry Programmes and CARE forestry activity offer valuable lessons in community participation. Regional co-operation, private sector participation and technical back-stopping are also of paramount importance to the success and long term sustainability of mountain biodiversity, and will be actively promoted by the project.

46. The GEF financed East Africa Biodiversity Project (1992 -1996) showed the importance of creating an "enabling environment" at the national policy level, but also showed clearly the need to extend this across sectors and down to district and local levels. This requires the development of clear sets of mandates and institutional responsibilities. A third important finding was that technical linkages at regional level reinforce political collaboration. All of these issues are addressed in this project.

47. The STAP Technical Review of the initial proposal drew attention to a number of issues:

- The poor information base that exists for biodiversity in Lesotho. The project does address databases and information within Outputs 1.2 and 1.3. These will be strengthened to include computerised information systems as well as hard-copy literature. An APO/JPO will be sought to support this activity.
- The necessity to work within regional biodiversity frameworks is well taken. The Document provides

for considerable linkage. Activity 1.5.1 would start with such framework developmen

- Training. The document stresses regional training.
- The project will work closely with both SABONET and the SADC - IUCN NETCAB initiative.
- Leadership is critical to the success of the project. The Document provides a competitive salary for national leadership, and provides for high calibre international advisory input. The project provides start-up assistance for a Biodiversity Officer in Government, who will be the counterpart to th project. Finally the document calls for a frequent interaction between the several biodiversity initiatives in the country, expecting considerable synergistic interaction.

PROJECT FINANCING AND BUDGET

48. The GEF incremental contribution is considered to be 2,485,000$ US over five years. This is distributed between Outputs and Project Years as shown in Annex 5.3. The detailed UNDP budget is shown and in Annex 5.1. Details of expenditure per output and per Contractual Mechanisms are shown in Annex 5.2

The GEF intervention is part of a larger project framework involving ongoing baseline activity, and more recent donor support to biodiversity conservation which is considered to be "co-financing". Interventions are as follows: (Details are given in Annexure 6):

Baseline Activity:

Lesotho Highlands Water Project (non PA activity)
Government inputs to Biodiversity / PAs
Agricultural Sectoral Investment Programme (ASIP)
IFAD Support to Anti-Desertification Processes
DANCED Support to NES (Urban, Water, Energy, Data, Education)
GEF Regional SABONET (Botanical data) Approved.
GEF Regional SADC (Networks, Databases) Approved.
EU Support to Environmental Awareness via LHDA.
TOTAL BASELINE US $ 5 million (Initial Estimate)

Co-Financing:[2]

Government Counterpart Funding	US$ 0.28 million (kind)
Lesotho Highlands Water Project	US$ 1.75 million
European Union Drakensberg Maloti Project Phase 1	US $ 0.7 million
EU Potential Phase 2,	US $ 1.8 million
UNDP Support to National Environment Secretariat	US $ 0.1 million

WB support to Peace Parks (Pipeline - not costed, but significant)
TOTAL CO-FINANCING US $ 4.63 million (Initial Estimate)

PROJECT INPUTS

49. Government inputs will be in kind, covering Counterpart salaries. Inputs exclude the NPC/NBO for the first year pending the established post being funded in new budget post 1998 elections.

UNDP will support the following inputs:

Personnel:

[2] **Co-financing here is funding that contributes to the same overall goal of conserving globally significant biodiversity, and with which the GEF project is closely coordinated. Baseline funding is relevant to overall project activity but with less direct project involvement.**

- A Chief Technical Adviser for the first three years to be based in Maseru.
- A Technical Adviser for Environmental Economics for one year to be based in Maseru. This could be split into two/three missions.
- An APO (no cost to project) will be sought to strengthen data information activities.
- National Project staff, including:

  National Project Manager (based in Maseru)
  District Project Officer (based at Quthing)
  National Economist (based in Maseru)
  National Sociologist (based in Quthing).
  And, in the short-term the National Biodiversity Officer on behalf of Government.

NOTE - if suitable staff cannot be recruited locally then the UNV or TCDC system will be used to recruit persons from the region.

- Administrative support at both Maseru and Quthing. : 1 Administrative Assistant, 1 Secretary, 1 Driver at HQ; 1 Secretary, 1 Driver in District.

Reviews include Mid-term Review, Terminal Review, and Back-stopping missions.

Training: Training has 6 x 1 year MScs in South Africa @ 18,000$ each (2 in NES, 2 in Range, 2 in Conservation; Capetown Cons Biol. course); and three Diplomas in MoAg. Rest is Short technical courses, Study-tours and Workshops. Training courses run locally by the project are under 2100

Equipment: Vehicles (HQ - 3 & District - 2); Motor-Cycles 2; Computers 4,
Field, Awareness and Scientific Equipment. Costings as per UNDP Lesotho norms.

Operating Costs and Sundry: Vehicle use, communications, reporting etc.

INCREMENTAL COST AND COST EFFECTIVENESS

50. The Incremental Cost calculations hinge on the fact that Lesotho's present management of the biodiversity rich mountain grasslands is directed towards domestic benefit (livestock grazing, the population with access to grazing lands, and the revenue (royalties) from water sales being ploughed into national development). However, these inputs are as yet insufficient to reverse the pattern of increasing range degradation. Carrying capacity continues to decline. Planned interventions seeking to stimulate overall agrarian reform (eg ASIP) will reverse this decline, but at present have little focus on biodiversity.

The GEF Increment is to add a global dimension to this domestic management, focusing on biodiversity. The calculations on the cost of this intervention compared to the on-going activity, follow from an understanding of the system boundary, the baseline activity, and the planned incremental intervention from GEF and other co-financing partners.

The System Boundary (Scope of Analysis) and Baseline.

51. The system boundary operates at two scales : Nationally the project looks at ALL forces which impact on biodiversity, focusing on policy issues and institutional mandates which are amenable to change. (Population and poverty issues are outside the remit of the project). Working through NES, the lead government agency, there is a legal obligation to consider biodiversity at national level. In field terms however the project would confine its trial operations to a more limited distribution, concentrating on the Districts of the South, principally Quthing. In addition, the proposal includes activity looking at regional implications of conservation, linking to South Africa.

The baseline is provisionally estimated at 5 million $, over the 5 years (see Annex 5). This includes

activity in the afro-montane and alpine areas and in the fields of agricultural development and environment which influence biodiversity. Some activity is supportive of biodiversity, and some through its emphasis on development could in fact impact on biodiversity (eg part of the ASIP programmes). The baseline however, with few exceptions (support to one small "sanctuary", does not address the long-term conservation (for either preservation or sustainable wise use) of biological diversity. If there is to be a greater emphasis on biodiversity values of global significance, then it will have to be addressed through extra external funding - the increment.

Co-Financing.

52. Apart from Government counterpart funding (in kind), three sets of activities have such close linkage to this GEF proposal that they are considered co-financing (see paragraphs above and Annex 5). These include core support to the NES for biodiversity monitoring and database activity for the 1998/9 period, from UNDP's regular CCF programmes. In addition there are two site based activities: the Drakensberg-Maloti inputs in Eastern Lesotho supported by EU, and the LHWP activities in Phase 1 sites in Central Lesotho. The total is estimated at 4.63 million US $.

The Incremental Cost Activities.

53. Three sets of activities are discussed here: two falling under the main objectives of the project : 1 - Protected Area Development, and 2 - Biodiversity Support outside the Protected Areas. The third is to highlight one issue listed under Objective 2, that of sustainable funding through a trust fund approach.

1. Biodiversity Protected Areas. The scale of biodiversity value suggests that more sites will be needed than the present tiny 0.35%. However creating more PAs in a country which is heavily impacted by a growing population will be difficult. Governments own funds are used for more tangible development. The single PA today nowhere near pays its financial costs. However the scale of biodiversity warrants incremental funding to secure global benefit. This increment will create further small PAs WITH the community. Experience in Quthing shows that this can be done.

2. Biodiversity conservation is more than declaring small PAs. Investing in policy, legal frameworks, value systems and awareness etc is also necessary - especially so when any new PA is likely to be tiny, and on leasehold or communal land. Such activities may be contrary to sectoral interests of raising immediate production. The Project Proposal is therefore to provide incremental funding to develop biodiversity conservation activities. The innovative approach in Lesotho will be to create biodiversity zones or special sites within communal management areas developed primarily for livestock.

3. The third issue is to develop a sustainable source of funding to provide incentives to maintain such biodiversity inputs, in the face of increasing population pressures. Two solutions are possible:

- One is the plan to use some of the water revenue to maintain biodiversity / watershed integrity, so as to maintain continued silt- free water-flow. This would entail the development of a Trust Fund mechanism, using some royalty inputs for the first few years. This is output 1.6. This approach follows from the arguments advanced by Swanson (1996) in his arguments for land rental appropriation protocols under the Convention on Biological Diversity[3]

[3] See Timothy Swanson 1996, Global Action for Biodiversity. Earth-Scan, London.Pp 90-91 on role

- The second is to build strong linkages with local and regional tourism entrepeuners, to develop a demand for continued nature experience in the Maloti-Drakensberg. This is output 1.6.

Further information is given in Annexure 7

RISKS AND PRIOR OBLIGATIONS AND PRE-REQUISITES

54. The biggest risk is that there can be no meaningful change to the pattern and intensity of land use - especially grazing within the project timeframe! Change will require the acceptance of many sectors of society - from traditional and district leaders through other sectoral interests, to the people themselves. Correction measures come from within the project, through awareness inputs, but also from other donor initiatives. New sectoral policies point to agrarian reform and improved resource user rights. The large ASIP programme addresses these issues, and this GEF project would complement such initiatives with its focus on biodiversity issues.

55. Whilst the project can assist in the establishment of small "Nature Reserves" both through Government processes and with communities on their rangelands; the assumption that the benefits accruing from such reservations will provide incentives for maintenance after project life. Risk avoidance comes from the emphasis on awareness, on incentive and trust fund mechanisms is designed to increase the probability of reserve sustainability.

56. There is limited national capacity for environment and biodiversity conservation, NES the lead agency will need considerable extra capacity to perform its coordination role adequately. External Technical Assistance is seen as necessary for the first half of the project period. A considerable risk is therefore that Government will not be able to seek longer-term financing for the counterpart posts. In the short-term the need for NES to finance the National Biodiversity Officer post in government remains a risk.

Sustainability of project impact will very much depend on continuation of Development Funding coming from the LHWP in the medium term; and establishment of an effective mechanism for funding recurrent expenditure to maintain a long-term integrated programme of biodiversity conservation and watershed management. This is the role of the Trust Fund Discussions.

There are no prior obligations or pre-requisites.

INSTITUTIONAL FRAMEWORK AND PROJECT IMPLEMENTATION

57 The National Environment Secretariat was established in the Office of the Prime Minister with the support of UNDP, and has the specific purpose of overseeing and co-ordinating environmental affairs in Lesotho. The draft Framework Environment Law will upgrade NES to a National Environment Authority. The law clearly designates NES as the lead agency to plan, promote and co-ordinate an integrated programme of biodiversity conservation. NES coordinates and oversees biodiversity activity, it does not directly implement biodiversity activities. This it does through partners at central, district and local levels. Such a pattern of implementation will be followed within this project.

NES will create a Biodiversity Unit to undertake these tasks. Government will provide core staff, The project (and UNDP Phase 2 support) will provide short-term technical expertise and consultancies to

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of GEF, and 151-161 on property right regimes and land rental for biodiversity.

NES in order to undertake these activities. Specifically this project provides salary support to the National Biodiversity Officer until Government gets the established post funded in the 1999/2000 year.

Implementation of technical activities will be by agencies with recognized mandates at central and district levels. NES/UNDP (see below on modalities of Execution) will subcontract specific tasks through Letters of Agreement etc, to national / international NGOs. Agencies and Organisations with demonstrated comparative advantage in such implementation.

58. The Project is designed for National Execution modalities (NEX), with certain inputs (provision of external expertise) handled by UNOPS on behalf of UNDP. A sum of 3,000$ pa is provided for backstopping missions.

Under NEX modalities NES will execute the project on behalf of the Government of Lesotho. In order to undertake this task the project provides :

A locally recruited National Project Manager (NPM) who, within the framework of NEX will (ToR in Annexure 8) be responsible for the management of this project to the National Environment Secretariat .
An Internationally Recruited Chief Technical Adviser (CTA) will assist NES in developing capacity for the first three project years (ToR in Annexure 8).
As field activities will focus on the south of the country in Quthing and adjacent districts, a District Project Officer will be appointed by the project, the appointee will be based in Quthing.

59. However NEX modalities are still evolving in the Lesotho situation, and there is no NEX unit in UNDP or in Ministry of Finance or Planning. Some project issues are still handled by UNDP, and some of them further passed to UNOPS for implementation. This includes recruitment of local Project Personnel (professionals and administrative staff).

The 1998 NEX guidelines from UNDP Headquarters are very clear on the need to involve Government in all aspects of project implementation. Where UNDP (and UNOPS) are to undertake activities on behalf of government, this should be at the Express written request of Government. As NEX is in a state of flux at the present time the first two months of project start-up activity should involve the project management unit in NES setting out with UNDP the detailed plan of operations for project administration. This will be clearly set out in the Inception Report.

Coordination Mechanisms and Linkages

60. A Steering Committee will oversee the execution of the project at policy levels. UNDP will be part of the Steering Committee as will other biodiversity stakeholders (see ToR in Annex 8). However more practical management and technical guidance will come from a Project Management Committee composed of technical expertise, including related projects. (see ToR in Annex 8).

At District level there will be a District Steering Committee to seek local coordination.

Biodiversity Projects in Lesotho should cooperate so as to speak to Government with a single voice on technical issues. During proposal development processes, this was agreed on by donor institutions. This project provides support to a Government led Biodiversity Committee which could provide the forum for such interaction.

Within the environment sector the project will build on and strengthen a variety of existing donor programmes addressing forest and watershed conservation, wetlands conservation and, in several sites,

the issues surrounding pastoralist land-use. The project will also build on projects in other sectors, in particular UNDP's Governance and Poverty Alleviation.

PROJECT REVIEW AND REPORTING MECHANISMS.

61. This project will be subject to several review mechanisms, including:

- Annual Tripartite Review (Joint Review by the donor (GEF), Government (Ministries of Finance and Planning) and the Executing Agency (NES)). The first such review will take place within the start of full implementation.. The standard UNDP Document - Project Progress and Evaluation Report (PPER) shall be the focus of such review. THE PPER will be prepared by the National Project Manager, with the assistance of the CTA and the Project Coordinator within Government.
- There will be an external Mid-Term Review (MTR) composed of representatives of the donor UNDP - GEF and the Government. This will be midway through Year 3.
- There will be a Terminal Review (TR) conducted in a similar manner three months before the end of the project. GEF and UNDP procedures will govern such review.
- The Project Steering Committee provides a mechanism for monitoring and review at an activity level.
- All contracting mechanisms will contain in-built evaluation and monitoring mechanisms.

62. In addition to the PPER reporting procedures, the Project will have the following reporting schedules:

- An Inception Report, based on activities during the start-up phase. This will detail operating procedures within the context of NEX modalities in Lesotho, and prepare task and time bound workplans.
- Project Field or Technical Documents, reporting the results of specific activities and outputs.
- A terminal Report in UNDP GEF format. This will be prepared for consideration at the terminal TPR by the NPM. It will be produced at least three months before the TPR to allow review by Government and UNDP.
- Quarterly reports to the Executing Agency of Government (NES) and the donor UNDP -GEF.
- Other reports as may be required by the donor (UNDP-GEF) or the host Government.

63. The Inception Report will contain more detailed process and impact indicators by which project implementation and project impact on biodiversity can be evaluated.

TIMEFRAME

64. All activities will be completed in five years (60 months from full Implementation). Note that GEF at present does normally NOT permit second phase activity.

A workplan is shown in Annexure 9.

LEGAL CONTEXT

65 This project shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Lesotho and the United Nations Development Programme, signed by the parties on the 31st of December 1974. The host country implementation shall for the purpose of the Standard Basic Assistance Agreement, refer to the Government co-operating agency referred to in that agreement.

66 The project will be executed according to National Execution Modalities, the details of which are

contained in UNDP Operating Manuals, as amended on 17 March 1998.

67. The project will be subject to the audit rules and regulations of UNDP as they affect Government Implementation and implementation by NGOs. The details of these rules are set out in Annexure 10.

ANNEXES

ANNEX 1 THE BIODIVERSITY VALUES AND PROTECTED AREAS OF LESOTHO

NOTE : as the biodiversity values of Lesotho are of exceptional richness, but relatively poorly known in the international literature, this annex is more detailed than usual! The biodiversity values are described in part A; key findings from the ongoing Strategy and Action Plan process summarised in part B; and existing and potential PA sites listed in part C of this Annex.

PART A BIODIVERSITY VALUES

Introduction Southern Africa has seven recognized biodiversity hotspots, or areas of considerable diversity and endemism (Cowling & Hilton-Taylor 1994). These are :

Succulent Karoo	Kaokaveld
Albany	Pondoland
Maputaland	Wolkberg
Eastern Mountains	

These hotspots are recognized primarily on the basis of their floristics; the Succulent Karoo being the worlds richest single floristic type. The Eastern Mountains or Drakensberg - Maloti Mountains. are important for their higher altitude flora, estimated at 1,750 species, of which 30% are endemic to the mountains. Lesotho forms the greatest part of the recognized global biodiversity hotspot. It is these mountains that are the focus of the GEF project proposal.

Faunistically, the Eastern Highlands are recognized as an Endemic Bird Area (EBA) - Area C44.

The Drakensberg - Maloti Mountains

70% of Lesotho falls within the Eastern Mountains. Over 60% of the 35,000 sq km Eastern Mountains is in Lesotho, the rest is in the adjacent Drakensberg Mts of South Africa, running northwards from East Cape Province through Lesotho into western KwaZulu-Natal. The high mountains of Lesotho, mainly on old volcanic basalt overlying sandstones, are exceptionally rich in species, many of which are shared with the lower altitude steeper slopes on the Natal Drakensberg.

Lesotho forms the highest, widest and most convoluted part of the mountains which split into five separate ranges providing the catchments and high altitude peat bogs which are the source of the major South African rivers (Orange, Tugela, Vaal). This link to the most important water catchment of Southern Africa, which forms the single largest engineering project in Africa today (the Lesotho Highlands Water Project), is a key element of this GEF Proposal.

The bogs, themselves key areas for biodiversity, are only found on the flatter plateaux on the Lesotho Mountains. The southern end of the mountains are sandstone, not basalt, with a distinctive flora. Lesotho has Africa's highest sandstone formations.

The Flora There are several classifications of vegetation and floristic communities for Southern Africa as whole. We use the simplest here, which is in agreement with most earlier schemes. The vegetation types of Lesotho have been assessed within two broad categories -the lower veld grasslands (types 39 - 41), and the higher mountain grasslands (42 - 46) (Lowe & Rebelo 1996). There are small areas of forest (type 2) and Valley Thicket (5). The main grasslands, with their approximate areas (sq km) are sub-divided as:

40	Moist cold high grassland	6,689
45	Afro-Mountain grassland	15,484

46 Alti-Mountain grassland 7,118

Virtually none of these types are represented in the protected area systems of southern Africa.

The latter two high altitude vegetation types are described further, with community names following Loxton, Venn and Associates (1993) :

The Alti-Mountain Biome from 2,500 - 3,480m. 12,000 sq km in southern Africa; 32% transformed, more degraded, < 10% is conserved.

1 Temperate Alpine Belt
- a Erica / Helichrysum heathland
- b Merxmuellera temperate grassland
- c Merxmuellera / Festuca temperate grassland

2 Temperate / Sub-Tropical Alpine Belt
- a Merxmuellera / Themeda mixed grassland
- b Merxmuellera / Harpochloa mixed grassland

Afro-Mountain Grassland Biome from 1700 - 2500m asl. 158,945 sq km of which 32% transformed and 0 % conserved. These grasslands are more widespread in southern Africa, over 10,000 sq km in Lesotho.

3 Sub-tropical / Sub-alpine Belt
- a Themeda / Eragrostis sub-tropical grassland

4 Sub-Tropical Montane Belt
- a Catalepis sub-tropical grassland
- b Cymbopogon sub-tropical grassland

The more restricted sandstone areas are distinct botanically from the basalt, and contain many rare plants. There are no high sandstone plateau outside Lesotho.

In addition to these `Zonal' vegetation types, three `Azonal' vegetation categories can be recognized in the higher altitudes : wetlands (largely bogs and mires), riverine gorges, cliffs and talus etc.

The Highland Bogs and Mires

"There are extensive bogs and spongelands in the high rainfall areas of the mountains; being most common in the South-East, they decrease in frequency and size to the west and south. Most are above 2,300m asl (ie above the sandstone on the basalts). Individual bogs are small (< 1000ha), but collectively cover tens of thousands of hectares" (Hughes & Hughes 1993). These alpine bogs are old (12,000 years since the last glacial), and of several distinct types:

> footslope fens, valley-head fens, mid-slope fens, oxbows, drainage line wetlands, sheetrock depressions, marshes, springs & seeps.

They have different plant communities and vary greatly between groups and within groups depending on degradation. *Given the specific nature of some of the wetlands they may be regarded as unique in Africa and perhaps the world.* (Afridev 1966 Executive Summary p 29). They are rich in species and unusually

rich in lower plants (eg thalloid hepatics), with many endemics, including at generic level (eg Quathlamba spp) vide Prof J Duckett, Univ London).

At highest altitudes the centre of bog has a short close cropped appearance, with Anagallis huttonii, Athrixin fontana, Haplocarpha nervosa, Limosella spp, Lobelia aquatica, Ranunculus meyeri, Scirpus fluitans, & Sebaea marlothii.

Towards the edges: clumps begin - eg the orchid Rhodohypoxis rubella and ocasional poker - Kniphofia caulescens. At fringes - bigger tussocks of Merxmuellera disticha & M. drakensbergensis. At the edge other herbs are present: Brownleea, Geum, Helichrysum, Senecio etc.

Within the flatter bogs are pools over springs, with truly aquatic vegetation : eg Aponogeton junceus, Crassula natans, Lagarosiphon muscoides etc.

At lower levels, bogs are more grass/sedge covered, mainly Merxmuellera spp. Carex cernua, Cyrtanthus brevifolius, Deschampsia caespitosa, Juncus glaucus, Scirpus spp, etc. Sphagnum is absent.

A wealth of orchids is found on these bogs : Brownleea spp, Disa versicolor, Disperis tysonii, Habenaria dives, Holothrix incurva, Satyrium cristatum, S. macrophyllum etc.

Endemism

There are an estimated 30% endemics out of a total 1,750 taxa on the Eastern Mountains. Key families for endemics in the Eastern Highlands are:

Asteraceae	118 endemic spp	out of a total of 167 spp
Scrophulariaceae	36 spp	43 spp
Ericaceae	11 spp	15 spp.

Whilst there are many endemics (c 600) to the Mountains, much fewer are endemic to either Lesotho or Natal. Strict Lesotho endemics number about 50 higher plant species, many more lower plants.

A large proportion of the 30 % endemics are found in the heathlands and the bogs of the upper alpine belt (Hilliard & Burtt 1990) ; It is these two categories that form the GLOBALLY significant biodiversity value. Endemic plant taxa include:

Helichrysum palustre	H. qathlambanam
Kniphofia hirsuta (red hot poker)	Crassula qoatihambensis
Dianthus basuticus (orchid)	Brownleea spp (4) (orchids)
Dierama jucundum (Harebell)	Saniella verna (an endemic genus).

At least two endemics are recognized to be endangered:

Aloe polyphylla, the spiral aloe threatened by illegal trade.
Aponogeton ranunculiformis, a submerged water plant confined to a few small pools.

In addition Kniphofia hirsuta is considered threatened.

The South African Red Data List of Plants (Hilton-Taylor, 1995) lists a total of 79 taxa as Rare, Endangered, Indeterminate or Status Unknown for Lesotho.

The lowlands have some floristic values remaining, for example the Leucosidea woodlands (a patch to be a PA under LHDA Site 1a), and the Aloe ferox - Olea scrublands of the Quthing sandstone.

Faunal Diversity

A few rare endemic species occur in the highlands and complement the important floristic diversity. These are:

Lang's Crag Lizard	Pseudocordylus lani
Drakensberg Frog	Rana dracomontana
Aquatic Frog	Rana vertebralis
Maloti Minnow	Pseudobarbus quathlambae
Rock Catfish	Austroglanis sclateri
Butterflies	eg Lepidochrysops oosthuizeni

A distinctive group of primitive crustacea are endemic to high sandstone ponds.

Lesotho has significant populations of several potentially threatened and threatened bird species, including the largest population of bald ibis, and many bearded vulture or lammergeir. The developing Lesotho Report on Important Bird Areas (IBAs), by Bird Life International recognizes the Lesotho Highlands as a node of endemism (EBA C44). There are three restricted range species in this node: Orangebrested Rockjumper, Drakensberg Siskin, Mountain Pipit.

There are more endemic sub-species: eg those of the Thickbilled Lark and Bearded Vulture. Over 90% of the world population of this subspecies are in Lesotho. Lesotho holds over 10% of the global population of Cape Vulture. Cape Vulture nesting sites are used to define Important Bird Areas of which six are proposed for Lesotho. These are described in Part C below.

PART B SUMMARY OF BIODIVERSITY STRATEGY AND ACTION PLAN OUTPUT

Lesotho will complete its Biodiversity Strategy & Action Plan in late 1997. A draft Strategy was prepared in July 1997. These extracts are taken from the draft strategy documentation.

Section 1 In-Situ Conservation

1a Designate additional protected areas
1c Involve communities in planning/managing the Protected areas
1d Strengthen regulatory measures for protecting species and ecological processes.

Section 2 Sustainable Use Issues

2a To maintain traditional conservation Government will i) strengthen role of local authorities, ii) strengthen maboella regimes through better institutional mechanisms governing access.
2b Promote community participation in rangeland activities
2c Improve assistance to Grazing Associations
2f Document traditional knowledge
2g Promote policy reforms for biodiversity conservation and equitable use.

Section 3 Rangeland Issues

3a Awareness campaigns for community participation
3c Improve technical management of rangelands by Grazing Associations
3g Document indigenous knowledge systems
3d Support existing community structures

Section 4 Threatened Habitats and Ecosystems

4a Conduct inventory and assessment of key habitats especially wetlands
4c Reduce grazing pressure on wetlands.
4d Provide conservation inputs to Afro-alpine and Afro-montane ecosystems.

PART C EXISTING AND PROPOSED PROTECTED AREAS OF LESOTHO

i) Existing

Sehlabathebe National Park (but legally a no-hunting sanctuary!) SE Sandstone montane. 105 sq km

ii) Being Created (Under LHWP Phase 1a inputs; contractors from S Africa, no legislation as yet.

Bokong wetland (eroded from overuse and infrastructure, restoration attempts underway).
Tsehlalyane woodland (best patch of Leucosidea woodland in Lesotho)

iii) Potential Areas

Sites under or close to LHWP Phase 1b.

River Gorge Thickets, indigenous woodland and vulture cliffs.

Wetlands (alpine bogs) in upper Mohale catchment
Whole Mohale area as a Biosphere Conservation Area

Other sites
Eastern mountain areas - possible cross-border "Peace Park" to South Africa (WB interest).
Mount Moorosi IPAL gene sanctuary on Quthing River.
Quthing afro-montane / afro-alpine site at Selomong on Sebapala River.
Lake Letsie wetlands in Quthing District.
Mont-aux-Sources alpine bogs; the ultimate source of Orange River system in eastern Lesotho,
IBAs (Important Bird Areas). Six are proposed, one of which is Selomong.
Spiral Aloe sites (several potential areas).

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ANNEX 2 : DEVELOPING THE PROJECT PROPOSAL AND DOCUMENT

1 The Background

The initial project outline was developed in 1995 - 1996, looking at the three potential projects being developed for biiodiversity in Lesotho. Two projects were site and theme specific, the GEF project proposal could be more flexible in addressing key needs wherever located. The projects were:

- THE LHDA LESOTHO HIGHLANDS WATER PROJECT : Developing biodiversity mitigation measures in their development area 1a and 1b.
- THE DRAKENSBERG-MALOTI PROJECT : Supported by EU. Developing a community based livestock range project on a 5,000 sq km area in Eastern Lesotho.
- THE GEF PROJECT FOR MOUNTAIN RANGELAND BIODIVERSITY.

An outline GEF document was formulated in 1996, in which these three projects were described as the "Increment" for biodiversity.

At the same time, the revised policy and framework law were being formulated, showing the present ambiguity of institutional mandates in Lesotho, and giving leadership for environmental (and biodiversity) issues to NES. NES needs capacity support if it is to take on the duties of coordinating and monitoring biodiversity management in Lesotho; UNDP are to extend their base support to NES, and will include a biodiversity unit. In early 1997 the Biodiversity Strategy and Action Plan process started in Lesotho. It was immediately apparent that Biodiversity values were concentrated in the alpine areas and bogs. These values were global as well as national and local in nature.

2 The Preparation Mission

In 1997, a mission was developed to assist NES to prepare this proposal, using the initial framework, the new directions in policy and law, and the developing Action Plan process. The Country Study on Biodiversity (the precursor to the strategy) helped focus on what exactly were the global values (see Annex 1).

The first part of the mission looked at perceptions of threats facing biodiversity conservation. Interactive workshops involved all institutional stakeholders including NGOs and community leaders. ZOPP techniques looked at problem trees in a cause and effect relationship (Annex 3). These discussions were augmented by field visits with communities, using PRA interviews and transect walks. Key agengies were interviewed and consultations took place with village, district, central and donor organisations.

The second part of the mission, rephrased the problem statements as objectives and outputs (Annex 4). This was done within the GEF supported Biodiversity Strategy and Action Plan process, as a week long interactive workshop process with communities and agencies.

The third part of the process finalised budgets and detailed institutional frameworks following acceptance of the draft project concept. Linkages were maintained to the other co-financing activities, and with Donors in general. District activities were explored with District and NGO staff.

Following approval of the proposal, this Project Document was drawn up.

ANNEX 3: THE FORMULATION OF A PROBLEM STATEMENT AND PROBLEM TREE

This analysis arose from a participatory workshop process in February 1997.

Problem statement:

" Both the diversity of species and the productivity of the rangelands are deteriorating at an increasing rate within the alpine pastures of the Drakensberg - Maloti Mountains of Lesotho."

It was pointed out that not only was this statement acceptable to the people at the seminar, but that it was also acceptable to the grassroots communities living in the mountains.

Stakeholder Involvement in this Problem Scenario. A chain of actors was identified;

> "..from those who herd the livestock - "the herdboys", through the livestock owners, to the village community and its attendant institutions (VDCs and Headmen), to the regulatory and advisory institutions of Area Chiefs and Principal Chiefs, to the Government civil service players in both the Central and District Ministry of Agriculture. Agriculture is guided by larger decision making processes from economic planning and the legislature, and, in environmental matters by the National Environment Secretariat. External groups also exert pressure on the rangeland activities through environmental lobbying and donor support."

Problems. Participants used a participatory problem card approach, aggregated as follows:

- 19 - Policy/Policy Failure. Legislative & Institutional Problems,
- 10 - Poor Range Management, (which leads to the next issue):
- 8 - Overuse and Overstocking of Rangelands,
- 6 - Lack of Awareness on biodiversity & solutions at ALL Levels,
- 5 - Lack of Resource Tenure and Property Rights,
- 5 - Poverty,
- 5 - Population Growth, and Pressure on Rangelands
- 4 - Traditional Mechanisms Failing/ Lack of Participation
- 4 - Lack of Proper Resource Valuation System and Methodology,
- 4 - Lack of a Protected System to Conserve BD values.
- 3 - Cards on corruption/greed, on climate change, on fire,

Theme Consolidation: Five key problem themes were isolated, as follows:

1 **The overall policy framework is inadequate**. Existing policies are not working either from inadequate implementation, or non-compatibility of policies, or from internal inadequacies. The pattern of land tenure, especially range user rights was seen as central to this policy inadequacy. The key issue was to reduce the extent of transhumance, which leads to excessive impact in the highlands. It also leads to a loss of responsibility for the people who lived in or adjacent to the highlands in conserving rangeland resources.

Participants noted the ambiguity of mandate between traditional decision making (the chiefs), and the newer forces of democracy (the VDCs). The civil service extension agents and private sector development forces were additional players in this scenario of developing rangeland use options. Participants cautioned that unless these institutional mandates were clarified, then resource policies would be of little benefit!

Participants also noted that decisions and policies to conserve the highlands should not be at the expense of increased degradation of the lowlands! Participants stressed the linkages between the lowlands and the mountains. Impacts in one area affects the other.

The issue of "Free Goods" and value systems came in here. The mountain rangelands are treated as free goods, so there is little incentive to invest in improved self regulation or resource conservation practice! The old practices are breaking down in face of changing institutions and trebling populations.

Participants drew attention to the fact that an increasing high proportion of livestock is owned by a small group of elite people. The poor get poorer and the rich get richer..... There is little incentive for the rich to arrest the situation. Are they hurting enough?

2 **Resource Degradation.** Yes, said the participants there are too many livestock grazing the alpine pastures. No-one has yet developed a method to stimulate reducing grazing pressure! Measures to close pastures for recovery are done for 3 months and not two years. Fire is a problem. Bush encroachment is a problem. Cattle post water points are a problem. Key resources are under extreme pressure, eg bogs, the only green pasture at high dry season.

Overgrazing was seen as one consequence of mismanagement. It was stressed that EVEN if there was no overuse, management (eg fire and bush control) could still be poor! This topic is interesting as to the degree to which technology interventions can take place without a change in tenure and access. Can better veterinary inputs, for example, assist? Probably not on their own!

3 **Biodiversity Loss** Our principal focus is biodiversity, not efficient range management in itself. However efficient range management will be needed to protect biodiversity from degradation. There may be need for guidelines that range management does not in the (far) future develop pasture management which is detrimental to diversity, ie improved forage introductions.

Lesotho does have a tiny proportion of land as Protected Area. The one "park" is not a legal park, being gazetted under old colonial game rules. Ideally there should be more PAs. BUT there is a huge shortage of land! This shortage is exacerbated by growing populations and degrading pasture resources. The Lesotho Highlands Development Authority is creating new but very small PAs in their command area. There may be merit in developing similar small CORE areas elsewhere. BUT in the long run biodiversity will depend on a better management of resources outside these tiny core sites.

Some species level and plant community resources are under specific threat (as opposed to the generalised over-use threat to the rangelands as a whole). These include the spiral aloe (targeted commercial collection) and mires and bogs (targeted dry season use, also drainage and damage through roads etc). Participants mentioned the lack of clear institutional mandates in Lesotho to develop a PA network, AND to protect resources such as aloe!

4 **Poverty and Population** Often described as underlying factors behind biodiversity resource loss. These may be beyond a GEF projects capacity to develop significant interventions, but GEF projects should be aware of issues.

5 **Lack of Awareness** It was stressed that this lack was not only at the grassroots level, but within the civil service and the political leadership. Awareness was especially acute when it was at the solution level! Many people are aware that there is a problem; FEW are aware of how to implement an equitable long term solution.

These key themes became the next layers of the problem tree:

CORE PROBLEM
Biodiversity Values are Degrading in Alpine Pastures.

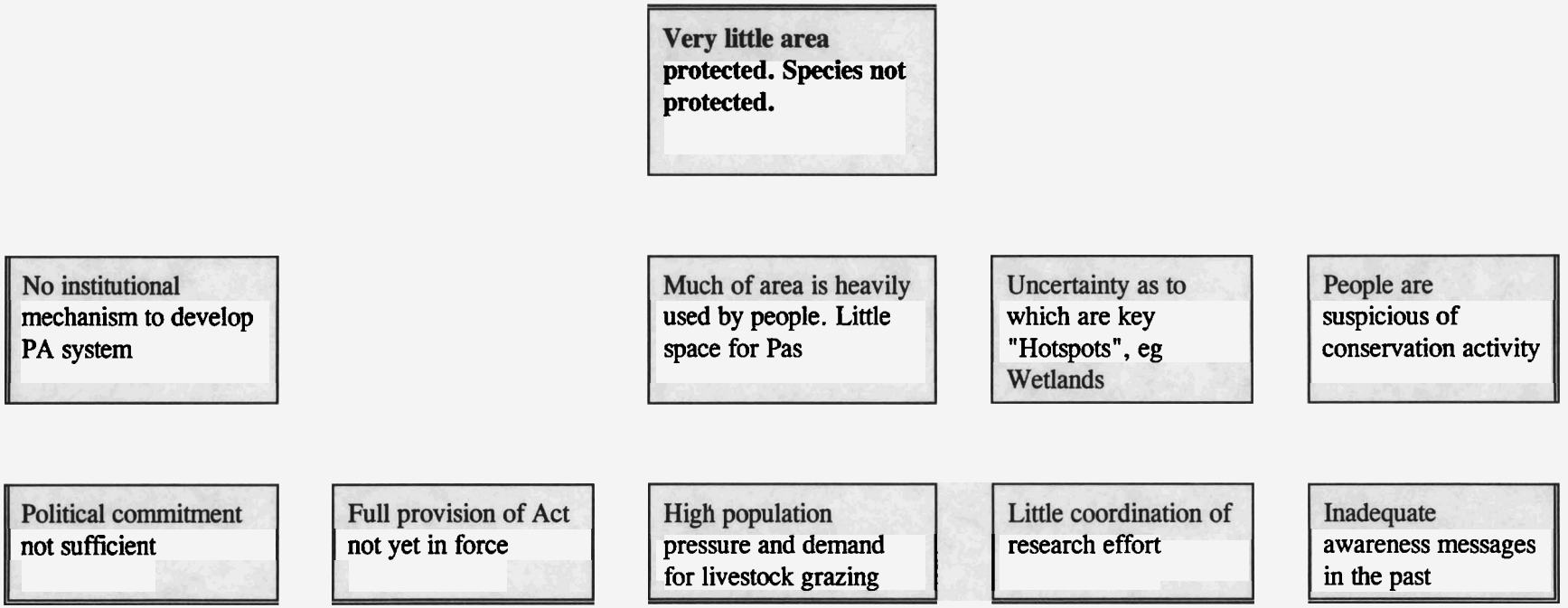
THEME ONE
Very little area is protected. Specific resources are not protected.

THEME TWO
The management systems are not adequate to maintain rangeland diversity & productivity

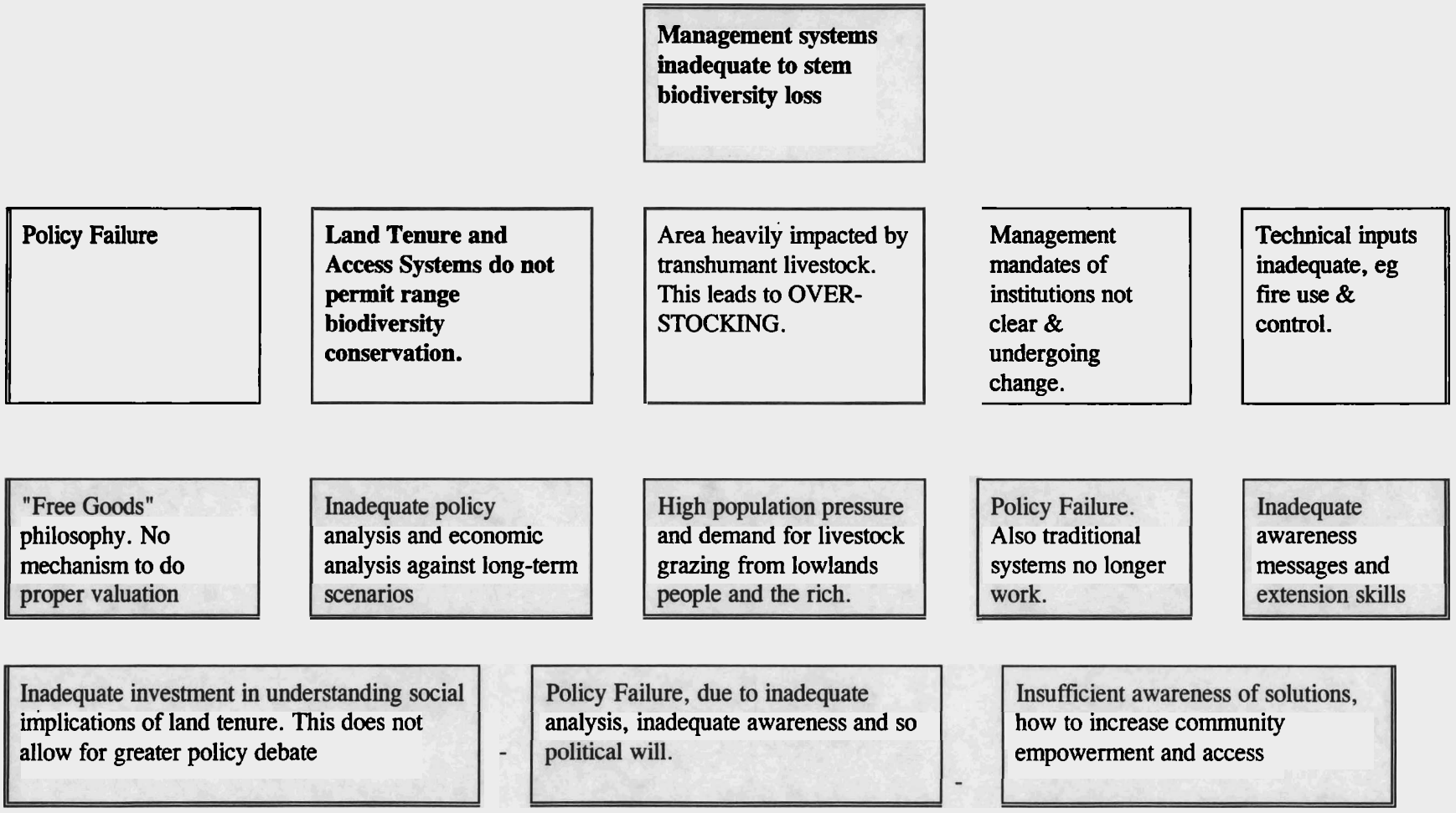
THEME THREE
Social and political institutions do not allow tenure and access rights to implement community resource management

More detailed problem tree statements were developed for these separate themes, ***theme two amalgamating with theme three***.

THEME ONE : VERY LITTLE AREA IS PROTECTED. SPECIFIC VALUES NOT PROTECTED.



THEME TWO/THREE: MANAGEMENT SYSTEMS ARE INADEQUATE TO STEM RATE OF BIODIVERSITY LOSS



ANNEX 4.1 LOGICAL FRAMEWORK PLANNING : PROBLEM - OBJECTIVE - OUTPUT - ACTIVITY MATRIX

PROBLEM ONE : VERY LITTLE AREA IS PROTECTED. SPECIFIC VALUES NOT PROTECTED.

IMMEDIATE OBJECTIVE 1 : PROTECTED AREAS ARE IN PLACE WHICH ADEQUATELY COVER THE EXTENT OF LESOTHO'S BIODIVERSITY

Problem	Project Objective and Output	Activity
1 Very little area is protected. Specific biodiversity resources are not protected.	**IMMEDIATE OBJECTIVE 1: Protected Areas are in Place which Adequately Cover the Extent of Lesotho's Biodiversity**	
No institutional mechanisms exist to develop a full PA network.	1.1 Institutional mechanism in place to develop PA network *	1.1.1 Create Biodiversity Committee with ToR to develop PA plan. 1.1.2 Review categories & legal institutional mechanisms for PAs. 1.1.3 Strengthen biodiversity processes within mandated & lead agencies. (eg Training, HRD, Infrastructure and Operational Support).
Uncertainty as to which are key "Hotspots", eg Wetlands.	1.2 Survey data has identified sites to include in PA network. *	1.2.1 Analyse existing data sets, commission new surveys in gaps/hot-spots 1.2.2 Compile report on hotspots, with information on suitability for PAs.
No coordination of research activity.	1.3 Biodiversity research activity prioritised and coordinated. Database developed. *	1.3.1 Set up prioritised biodiversity research needs, (scientific and applied) 1.3.2 Set up interactive biodiversity database, on hub - spoke principle **
Much of the rangeland area is heavily used by people; so little	1.4 Mechanisms for communal PAs are developed with local communities, and such PAs are implemented on the	1.4.1 Assess, with communities, suitability of RMAs for BD conservation 1.4.2 Assess value of traditional reservations (leboella) for BD

space for Protected Areas.	ground.	values 1.4.3 Assess possibility of setting aside small core areas on village land 1.4.4 Work with NGOs/CBOs to develop species conservation programmes 1.4.5 Work with communities, districts to create and manage local PAs
Inadequate cross-border interaction for shared BD resources.	1.5 Strong cross-border linkages for shared biodiversity resources on Drakensberg Mts.	1.5.1 Network with S Af biodiversity agencies for joint planning of PAs 1.5.2 Work on joint management of biodiversity resources across borders
Little tourism development means no alternative employment or use.	1.6 Network with tourism development initiatives to ensure adequate inputs.	1.6.1 Linkages to private sector/govt tourism to promote mountain areas. 1.6.2 Work with communities to promote ecotourism on biodiversity sites.
Lack of awareness of value of PAs	1.7 Communities and leaders with greater awareness of BD values.	1.7.1 Develop biodiversity awareness activities, at existing PAs 1.7.2 Develop biodiversity awareness via media, study tours and training.

PA = Protected Area, BD = Biodiversity, NES = National Environment Secretariat, RMA = Range Management Area, LHDA = Lesotho Highlands Development Authority, ASIP = Agricultural Sector Investment Programme, EU = European Union

* Activities stated as priorities within developing Strategy and Action Plan. ** Activities within second phase UNDP support.

PROBLEM TWO : MANAGEMENT SYSTEMS INADEQUATE TO STEM BIODIVERSITY LOSS
IMMEDIATE OBJECTIVE 2 : IMPROVED RESOURCE MANAGEMENT SYSTEMS REDUCE BIODIVERSITY LOSS

Problem	Project Objective and Outputs	Activities
Management systems inadequate to stem biodiversity loss	**IO 2 Improved resource management systems reduce biodiversity loss**	
Overall policy failure, BD & management inputs deteriorating. Inadequate investment in land tenure impacts on Biodiversity.	2.1 Land & resource based policies, including tenure/user rights issues, are reviewed and modified to support Biodiversity conservation *	2.1.1 Policy analysis for impact on biodiversity (+ve/-ve) 2.1.2 Develop policy revisions to support biodiversity 2.1.3 Analysis of user rights options affecting BD 2.1.4 Promote preferred options in stakeholder user rights planning
"Free Goods" philosophy, no mechanism for valuation.	2.2 National planning systems use enhanced ecological valuation methods *	2.2.1 Build awareness of ecological economics & valuation of biodiversity 2.2.2 Develop incentives packages for BD conservation on community land 2.2.3 Undertake implementation of such incentive packages
Funding inadequate for conservation.	2.3 Mechanisms devised to seek alternative funding inputs for biodiversity costs, including Trust Funds.	2.3.1 Develop Trust Fund Mechanisms with LHDA/Govt for mountain BD. 2.3.2 To work with donors to coordinate BD funding.
Key areas impacted by transhumant livestock causing over-stocking etc.	2.4 Key GAs and RMAs strengthened to reduce level of transhumant livestock inputs. Pressures for transhumance reduced.	2.4.1 Incorporate BD issues within GA & RMA management plan frameworks 2.4.2 Develop model RMA plans with BD issues 2.4.3 Network MoAg/Dist to develop alternative strategies - ASIP activity
Traditional rangeland regulatory systems no longer work.	2.5 Biodiversity concerns built into old and new regulatory mechanisms for mountain areas	2.5.1 Compilation of best practice information 2.5.2 Document/disseminate traditional knowledge, including women. 2.5.3 Regulatory mechanisms include BD issues

Management mandates of institutions are not clear with respect to biodiversity.	2.6 Management institutions with clear mandates for Biodiversity, management guidelines for BD developed for agricultural land use institutions. including fire.	2.6.1 Undertake review of institutional responsibilities and mandates for BD 2.6.2 Produce Sesotho literature guidelines on biodiversity/range. 2.6.3 Re-issue Range management guidelines incorporating biodiversity 2.6.4 Put fire management demonstrations in place.
Little awareness of need to increase levels of community empowerment and resource access for biodiversity.	2.7 Increased awareness leads to real community participation & empowerment in biodiversity conservation & wise use.	2.7.1 Assess empowerment/participation status and promote enhanced inputs 2.7.2 Strengthen NGOs and CBOS to develop inputs 2.7.3 Biodiversity Awareness issues disseminated at community/agency level. 2.7.4 Biodiversity education centres developed at key PAs in Lesotho
Lead institution for BD has little capacity to coordinate activities.	2.8 Lead institution has adequate capacity to address Biodiversity issues. *	2.8.1 Develop Biodiversity Unit and Advisory Group for Environment Council 2.8.2 To provide biodiversity training via short courses in Lesotho.

* Activities which are indicated in the developing Country Study and Strategy Programme. (See Annex 1). ** Activities to be part of second UNDP project in NES (See Annex 5.

Annex 4.2 Table Showing Pattern of Responsibility for Activity Matrix, and Any On-going (Baseline) Activity

Activity	BASELINE ACTIVITY ?	RESPONSIBILITY FOR IMPLEMENTATION
1.1.1 Biodiversity Committee 1.1.2 Review institutional mechanisms 1.1.3 Strengthen capability in agencies.	None - fragmented institutions!	NES networking with mandated agencies and NGOs etc. NES and Committee, with legal consultancy NES and project inputs
1.2.1 Analyse data, commission surveys 1.2.2 Report on hotspots for PAs.	Ad-hoc surveys for donors.	NES contracting NUL for institutional consultancy NES contracting NUL for institutional consultancy
1.3.1 Prioritised biodiversity research 1.3.2 Interactive biodiversity database	Ad-hoc at present.	NES contracting NUL; NUL networking with Govt agencies. NES contracting NUL to develop scientific database at NUL, interacting with NES hub
1.4.1 Assess RMAs for BD conservation 1.4.2 Assess traditional reservations 1.4.3 Assess small core areas 1.4.4 NGOs/CBOs develop conservation 1.4.5 Communities manage local PAs	None at present	NES to MoAg / District and project staff. NES contracting eg NUL / MoAg NES contracting eg NUL / MoAg Project with District and NGOs Project with District, NGOs and MoAg
1.5.1 Network with SA for planning PAs 1.5.2 Joint management of	Peace Park initiatives	NES and MoAg Conservation Division NES and MOAg Conservation Division

biodiversity		
1.6.1 Link to tourism for inputs. 1.6.2 Communities promote ecotourism.	None at present	NES / project NES / project
1.7.1 Biodiversity awareness at PAs 1.7.2 Biodiversity awareness via media	LHDA starting	NES contracting to LHDA and MoAg Conservation Division NES / Project and contractors.

Note that description of activity is shortened, see Annex 4.1 for full description.

Activities	Baseline Activity	Responsib ty
2.1.1 Policy analysis for biodiversity 2.1.2 Policy revisions for biodiversity 2.1.3 Analysis of land tenure options 2.1.4 Promote tenure options	Nil Minor Minor, ASIP a bit None, ASIP a bit	NES contr ting expertise, link to ASIP NES contr ting expertise, link to ASIP NES contr ting expertise, link to ASIP NES contr ting expertise, link to ASIP; District/MoAg
2.2.1 Build awareness of ecological economics & valuation 2.2.2 Develop incentives packages for BD conservation 2.2.3 Seek implementation of incentive packages	N N N	NES contr cting ? NUL and international expertise NES contr cting ? NUL, expertise and MoAg Project an(District. MoAg
2.3.1 Dialogue with LHDA/Govt on Trust Fund mechanisms 2.3.2 Work with donors to coordinate BD funding.	Minor (see ASIP) Minor (Donor Group)	NES & Project. Link to GEF TRust Fund Expertise NES & Project.
2.4.1 NES develops Biodiversity Advisory Group 2.4.2 NES develops Biodiversity training.	Little for BD "	NES, Project NES and specialist agencies
2.5.1 BD incorporated in GA & RMA management plans 2.5.2 Develop model RMA plans with BD issues 2.5.3 Develop alternative strategies - as in ASIP	None, ASIP does not mention BD issues	NES & MoAg Divisions & Training School NES to MoAg and District/NGOs NES to District, MoAg (ASIP), link other donors
2.6.1 Compilation of best practice information 2.6.2 Document and disseminate traditional knowledge 2.6.3 Regulatory mechanisms include BD issues	Minor.	NES to NGOs and NUL NES to NGOs and NUL NES to Disatrict, MoAg
2.7.1 Review of institutional mandates 2.7.2 Produce Sesotho literature guidelines on biodiversity	Minor.	NES. Use o Biodiversity mittee. Institutional Expertise. NES to Dist ict and MoAg

2.7.3 Re-issue range guidelines incorporating biodiversity 2.7.4 Put fire management demonstrations in place.		NES to District and MoAg NES to District and MoAg
2.8.1 Assess empowerment status, promote enhanced inputs 2.8.2 Strengthen NGOs and CBOS to develop inputs 2.8.3 Biodiversity Awareness issues disseminated 2.8.4 Biodiversity education centres developed at key PAs	A number of donor projects address community forestry, none address BD issues	NES to ? NGOs and INGOs NES/Project to expertise, INGOs NES to specialist expertise NES to LHDA and or MoAg Conservation Division.

Note that description of activity is shortened, see Annex 4.1 for full description.

NES = National Environment Secretariat. NUL = National University of Lesotho, ASIP = Agricultural Sector Investment Programme, MoAg = Ministry of Agriculture, MoFin = Finance, INGO = International NGO, NGO = NonGovernmental Organisation. CBOs = Community Based Organisation. DANCED = Danish Assistance.

Annex 4.3 TABLE SHOWING LOGICAL FRAMEWORK PLANNING MATRIX : OUTPUTS & ACTIVITIES TO INDICATORS AND ASSUMPTIONS

Outputs and Activity	Indicators	Means of Verification	Assumptions / Risks
1.1 Institutional mechanisms for PA network 1.1.1 Create Biodiversity Committee for PAs 1.1.2 Review categories and laws for PAs 1.1.3 Strengthen mandated agencies for PAs	A Protected Area Network Plan developed and put in place. Clear lines of responsibility are disseminated.	Documentation. In time new PAs are gazetted.	That lack of institutional clarity and goodwill do not permit such a PA network to be developed. PAs may be named but not supported on ground.
1.2 Survey data identified sites for PA network. 1.2.1 Analyse data & new surveys as needed. 1.2.2 Report on hotspot suitability for PAs.	Documentation shows areas of biodiversity importance and priority areas for gazettement as PAs	Documentation.	That biologists / conservationists cannot agree on methodologies for PA planning. That areas of high biodiversity value have land-use problems.
1.3 Mechanisms for communal PAs developed 1.3.1 Assess RMAs for BD conservation 1.3.2 Assess traditional reservations for BD values 1.3.3 Assess small core areas on village land	Communal Protected Areas accepted by people and by District Administration	Document, Minutes of meetings. In time new PAs are demarcated!	People may not be convinced of benefits of maintaining BD on village land. Traditional methods may be of little relevance. Administration may delay approvals.
1.4 Research prioritised,Databases functional 1.4.1 Biodiversity research needs prioritised 1.4.2 Set up interactive biodiversity database	Research plan approved by Research Council & funding available. Database linkages are functional.	Documentation. New research in progress. Data flows between institutions	Research bodies may not reach agreement. Data flow may be slowed by institutional rivalry.
1.5 Cross-border links for BD in Mts. 1.5.1 Network SA agencies for planning of PAs 1.5.2 Joint management of BD resources	Cross border protocols in place, which lead to joint conservation of key resources.	Documentation. Activity on ground.	Institutions may not find common ground for joint activity. Activity may stay at discussion level with no field benefit.
1.6 Network with tourism development 1.6.1 Linkages to private sector 1.6.2 Work to promote ecotourism	Goal is for tourism development to assist areas and communities which protect BD. Communities see benefit.	Visitor flows to local areas. Local people see rewards.	Tourism inputs may take longer time to develop (this is likely). Tourism may benefit commerce rather than local communities.
1.7 Communities with awareness of BD values.	Awareness programmes in place and used. Communities indicate	Awareness materiai. Community attitude	Awareness restricted to problems, and unable to focus on solutions. People pay lip service to

1.7.1 Develop awareness activities at PAs 1.6.2 Develop biodiversity awareness via media.	support for BD measures is second stage.	changes.	messages.

Note that description of activity is shortened, see Annex 4.1 for full description.

Outputs and Activities	Indicators	Means of Verification	Assumptions / Risks
2.1 Resource based policies reviewed/modified 2.1.1 Policy analysis for impact on BD 2.1.2 Policy revisions for BD 2.1.3 User rights options analysed 2.1.4 Preferred options promoted	Policies not supportive to BD are modified. Revised policies acknowledged to be supportive to BD.	Documentation. Analysis reports.	Other sectoral interests will not accept BD provisions within their sectoral policies.
2.2 National planning uses valuation methods 2.2.1 Awareness of ecological economics 2.2.2 Plan incentives packages for BD 2.2.3 Iplementation of incentive packages	Ecological valuation methodologies used in Govt: in EIA, in policy analysis, in compensation etc.	Government documents, statements and technical publications.	Government may pay lip service to new methods. Communal resources may prove impossible to value.
2.3 Trust fund Mechanisms devised 2.3.1 Dialogue on Trust Fund mechanisms for BD 2.3.2 Govt Donors to coordinate BD funding.	Trust fund mechanism agreed, and established. Funds provide incentives.	Documentation. Funding flows to communities. Communities agree conservation.	Government may delay approval of trust fund mechanism.
2.4 GAs/RMAs strengthened for BD 2.4.1 BD issues in GA/RMA management plans 2.4.2 Model RMA plans have BD issues 2.4.3 Networks develop alternative strategies, ASIP	RMA plans specify biodiversity values. Plans in use in field. Alternative land use packages adopted (ASIP)	Documentation. Physical monitoring of RMA resources.	RMA stakeholders may not accept BD provisions. Alternative strategies promoted may not be acceptable.
2.5 BD built into regulatory mechanisms 2.5.1 Compile best practice information 2.5.2 Document/disseminate traditional knowledge 2.5.3 Regulatory mechanisms include BD issues	Documents disseminated and in use. Regulations include BD values.	Documentation. Field monitoring	As above
2.6 Management agencies with clear BD	Mandates clarified at	Documentation	As above

mandate 2.6.1 Review mandates for BD 2.6.2 Develop Sesotho BD literature 2.6.3 Reissue range guidelines with BD 2.6.4 Fire demonstrations in place	District and Local levels. Documentation exists		
2.7 Awareness leads to community empowerment 2.7.1 Assess participation empowerment status 2.7.2 Strengthen NGOs, CBOs for participation 2.7.3 Awareness at community level 2.7.4 BD awareness centres at key Pas	Greater numbers of CBOs. NGOS ackmowledge enhanced capability Awareness shown through greater use of BD issues	Documentation. Presence of CBOs	Communities may pay lip service to issues\arising from awareness. CBOs may not last after project closure.
2.8 Lead Institution has Capacity for BD 2.8.1 Develop BD Unit and Advisory Group 2.8.2 Develop BD Training activities in Lesotho	Lead institution with staff and unit in place. Training courses taken place.	Trained people. Publications from lead agency.	Trained personnel may leave Government. Emphasis on BD may cease after project.

ANNEX 5 : BUDGET DETAILS

The GEF incremental contribution is 2,485,000$ US over 5 years. This is distributed between UNDP Budget lines and project years as shown in the accompanying table.

1 Analysis by UNDP Budget Lines

	LES97G31/B/1G/99							
BL	DESCRIPTION	TOTAL	p/m	1999	2000	2001	2002	2003
10	**PROJECT PERSONNEL**							
11	**International Experts**							
11-01	Chief Technical Advisor*	360,000	36	120,000	120,000	120,000	0	0
11-02	Environment Economist*	100,000	12	100,000	0	0	0	0
11-99	Sub-Total	460,000	48	220,000	120,000	120,000	0	0
13	**Administrative Support**							
13-01	Administrative Staff	200,000	5x58	40,000	40,000	40,000	40,000	40,000
13-99	Sub-Total	200,000		40,000	40,000	40,000	40,000	40,000
15	**Duty Travel**							
15-01	Duty Travel	50,000		10,000	10,000	10,000	10,000	10,000
15-99	Sub-Total	50,000		10000	10000	10000	10000	10000
16	**Mission Costs**							
16-01	Project Review*	50,000		3,000	20,000	3,000	4,000	20,000
16-99	Sub-Total	50,000		3,000	20,000	3,000	4,000	20,000
17	**NPPP**							
17-01	National Project Director	125,000	60	25,000	25,000	25,000	25,000	25,000
17-02	District Liaison Officer	98,000	58	18,000	20,000	20,000	20,000	20,000
17-03	Sociologist	60,000	36	18,000	20,000	20,000	2,000	0
17-04	Economist	68,000	40	18,000	20,000	20,000	10,000	0
17-05	Biodiversity Officer (NES)	12,000	8	12,000	0	0	0	0
17-99	Sub-Total	363,000	202	91,000	85,000	85,000	57,000	45,000
19	**COMPONENT TOTAL**	1,123,000	250	364,000	275,000	258,000	111,000	115,000
20	**SUB-CONTRACTS**							
20-01	Legal/Inst. Mechanisms	10,000		10,000	0	0	0	0
20-02	Training needs assessment	10,000		10,000	0	0	0	0
20-03	BD assessment in Quthing	30,000		10,000	20,000	0	0	0
20-04	Wetland assessment in mountains	40,000		0	20,000	20,000	0	0
20-05	Needs/prioritasation study	10,000		0	10,000	0	0	0
20-06	Database development in NUL*	50,000		10,000	20,000	20,000	0	0
20-07	Assess RMAs for BD Conservation	40,000		0	20,000	20,000	0	0
20-08	Ecotourism study	12,000		0	12,000	0	0	0
20-09	PA awareness centres	100,000		100,000	0	0	0	0
20-10	Policy analysis/review*	30,000		10,000	20,000	0	0	0
20-11	User rights study local levels	30,000		10,000	20,000	0	0	0
20-12	Incentive packages*	60,000		0	40,000	20,000	0	0
20-13	Trust Fund mechanism	30,000		10,000	20,000	0	0	0
20-14	RMA management plans with BD	40,000		0	20,000	20,000	0	0
20-15	Indigeneous knowledge study	12,000		0	12,000	0	0	0
20-16	Sesotho literature	15,000		0	0	15,000	0	0
20-17	Set-up fire demonstrations	15,000		0	15,000	0	0	0
20-18	Community empowerment*	60,000		0	20,000	20,000	20,000	0
20-19	Training prep./implementation	70,000		10,000	20,000	20,000	20,000	0
20-99	Sub-Total	664,000		180,000	289,000	155,000	40,000	0
29	**COMPONENT TOTAL**	664,000		180,000	289,000	155,000	40,000	0

	LES97G31/B/1G/99							
BL	DESCRIPTION	TOTAL	p/m	1999	2000	2001	2002	2003
30	**TRAINING**							
31	**Fellowship training**							
32	NES*	50,000		25,000	25,000	0	0	0
33	Ministry of Agriculture*	120,000		50,000	50,000	20,000	0	0
34	Quthing district*	20,000		10,000	10,000	0	0	0
35	NGOs*	20,000		10,000	10,000	0	0	0
32	**Study Tours**							
32-01	Study Tour training	40,000		20,000	10,000	10,000	0	0
32-02	In-Service training	70,000		20,000	20,000	10,000	10,000	10,000
39	**COMPONENT TOTAL**	320,000		135,000	125,000	40,000	10,000	10,000
40	**EQUIPMENT**							
41	Expendable equipment	29,623		6,000	6,000	6,000	6,000	5,623
42	Non-expendable equipment*	114,000		80,000	19,000	5,000	5,000	5,000
49	**COMPONENT TOTAL**	143,623		86,000	25,000	11,000	11,000	10,623
50	**MISCELLANEOUS**							
51	Operations and maintenance	115,000		20,000	20,000	30,000	25,000	20,000
52	Reporting	5,000		1,000	1,000	1,000	1,000	1,000
53	Sundries	5,000		1,000	1,000	1,000	1,000	1,000
54	Country Office Support Services	40,249		11,070	11,460	8,640	5,100	3,979
59	**COMPONENT TOTAL**	165,249		33,070	33,460	40,640	32,100	25,979
90	**TOTAL**	2,415,872		798,070	747,460	504,640	204,100	161,602
93-01	UNOPS Support Services	69,129		27,449	22,329	15,049	2,329	2,009
99	**GRAND TOTAL**	2,485,000		825,519	769,789	519,689	206,429	163,610
	***UNOPS-executed budget line**							

2 Sub-Contract Details (for line 2100) - Figures in '000 US $.

No +	Activity	Total	Year 1	Year 2	Year 3	Year 4
1.1.2	Review legal, institutional mechanisms	10	10			
1.1.3	Training needs assessment	10	10			
1.2.1	a) BD assessment in Quthing b) Wetland assessment in mountains	30 40	10	20 20	 20	
1.3.1	Research needs/prioritisation study	10		10		
1.3.2	Database development in NUL *	50	10	20	20	
1.4.1	Assess RMAs for BD Conservation	40		20	20	
1.6.1/2	Ecotourism study	12		12		
1.7.1	Commission PA awareness centres	100	100			
	SUB-TOTAL Objective 1	302	140	102	60	
2.1.1/2	Policy analysis/review *	30	10	20		
2.1.3	User rights study local levels	30	10	20		
2.2.2	Develop incentives packages *	60		40	20	
2.3.1	Trust Fund Mechanism *	30	10	20		
2.4.1/2	RMA management plans with BD	40		20	20	
2.5.1	Indigenous knowledge study	12		12		
2.6.2/3	Sesotho literature	15			15	
2.6.4	Set-up fire demonstrations	15		15		
2.7.4	Community empowerment, CBO support *	60		20	20	20
2.8.1	Preparation/Implementation of Training (Several courses)	70	10	20	20	20
	SUB-TOTAL Objective 2	362	40	187	95	40
	GRAND TOTAL : OBJECTIVES 1&2	664	180	289	155	40

+ Number refers to contracts within specified Output/Activity

* Indicates use of international expertise.

3 Analysis by Output (This includes pro-rata administrative and TA costs, etc).

Output	Describe	TOTAL in '000 US $
1.1	PA institutions	70
1.2	Survey & data assess for PAs	200
1.3	Research & Databases	100
1.4	Community PAs	200
1.5	Cross Border	25
1.6	Private Sector Links	25
1.7	Awareness	125
I O ONE	**Sub-Total**	**745**
2.1	Policy Review	100
2.2	Economic Valuation	150
2.3	Trust Fund	50
2.4	RMAs support	100
2.5	Regulations	80
2.6	Mandates/Guides	100
2.7	Awareness	200
2.8	Capacity (Includes training)	320
I O TWO	**Sub-Total**	**1100**
-	Administration: Admin staff, Review, half CTA,NPD,DPO cost	**533**
-	**Support Services**	**107**
TOTAL		**2485**

Immediate Objective 1 Total = 745 + half admin/support 320 = 1,065,000$
Immediate Objective 2 Total = 1100 + half admin/support 320 =1,420,000$
Ratio of technical ouputs to administrative costs = 3:1.

ANNEX 6: CO-FINANCING AND BASELINE INITIATIVES

A) CO-FINANCING

1 LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY 3.6 MILLION US $

LHDA oversees the Lesotho Highlands Water Project LHWP which undertaskes the major water engineering works and associated activity. LHDA has the mandate to ensure the "Conservation and Proper Use of the Natural Resources of Lesotho" within the project impact areas, at present in phases Ia and 1b. To do this LHDA has a National Environment and Heritage Conservation Section with objectives as follows:

1 Improving quality of life for people adversely affected by the LHWP developments etc.
2 Assess damage to environment caused by dam construction and undertake mitigation, restoration.
3 Increase the opportunities for economic development for the nation.
4 Education and awareness programmes on sustainable use of environment and natural resources, including biodiversity.

Key activities are:

Environmental Awareness Programme To target all affected communities in project area about sustainable use of environment for development. Specific target groups include herdboys, traditional healers and school children.

Presentation to Parliamentarians Soliciting support of policy makers and community leaders in promoting resource conservation and utilisation. Major issues include: Soil erosion, Water Pollution, Litter, Depletion of Natural and Cultural Resources, Population Growth and Change.

Biodiversity Activity This includes four small Protected Areas in Phase 1a, (although institutional studies are still seeking agreement on the appropriate legislation with which to gazette the areas). There are Biodiversity surveys within the site area, mitigation of main infrastructure impacts, and awareness and education are also parts of the biodiversity programme. Plans are being implemented in Phase 1a (Khatse), and are still being finalised in Phase 1b (Mohale).

The Development Fund

The water royalties from South Africa are an estimated 55 million $ per annum. This money supports a Development Fund, which was designed to give initial loans for development - roads, farming, schools etc, throughout Lesotho. This was disbursed via MPs. However the fund disbursements have been suspebded, following detailed commentary on utilisation via the World Bank (the principal donor for LHDA).

Whilst the Fund targets development and poverty alleviation, there are opportunities for an Environmental Trust Fund from part of the Royalty money. Environmental maintenance including consrervation forms a key part of household economies in the mountain areas. Poverty Alleviation needs a productive range.

2 EUROPEAN UNION 2.5 million $

The EU are finalising a project to develop a sustainable rangeland - livestock activities in the afro-alpine rangelands of the Drakensberg - Maloti Mountains bordering South Africa. This goes from Oxbow in the north to south of Sani Pass and the National Park. This initiative follows the several joint studies from Lesotho and Natal Parks Board (1989-1995). The project will be in two parts - a pilot phase on 1000 sq km due to stsart in late 1997 (0.6 mill Ecu), and the full project later (? 1.5 mill Ecu?). Key elements in what is designed as a participatory project are: veterinary care and animal husbandry, rangeland management, alternative income development and biodiversity issues such as World Heritage Site Status for the Lesotho and adjacent Natal Reserves.

Phase one started in April 1998 this year. NES will be the lead counterpart agency. UNDP support to NES will provide monitoring and oversight capacity.

NES sees this GEF project as providing the vision for overall Protected Area and Policy development in Lesotho. plus additional capacity in NES to support biodiversity awareness.

3 UNDP SUPPORT TO NATIONAL ENVIRONMENT SECRETARIAT (NES)

Phase one support has assisted in the policy and law activity as well as training in the broad field of environment. Phase 2 support is being finalised at present, Country Framework funds would support baseline capacity in NES for a Biodiversity Unit. This Unit would have several tasks including:

Monitoring project implementation - for EU and GEF Biodiversity Projects.
Implementing other activities from BSAP.
Input into EIA activity.
Implementing some database activities in NES (links to SADC GEF project database in Harare).

Note that this GEF Project supports other components of the database, eg the University.

4 WORLD BANK PEACE PARKS INITIATIVE (Links to GEF initiatives in KwaZulu-Natal)

Note, that the World Bank, with support from within the Natal Parks Board, have indicatedinterest in developing a larger "Peace Park" along the Lesotho - South Africa border (most of which is over 2,700m asl). The Peace Park in Lesotho would obviously need considerable people participation and regulated resource use.

B) BASELINE FINANCING

1 DANCED Danish Council for Environment & Development

This is being finalised, components stress the urban environment, water, energy, education and outreach.

2 IFAD - Support to Activities Under the Desertification Convention

A one year activity, looking at community participation.

3 ASIP Agricultural Sector Support Programme

This is a multi donor integrated investment programme for agriculture in its widest sense) crops, soil conservation, livestock, forestry, range management etc, led by the World Bank, with UNDP, ODA, UNDP, EU. Funding should start late 1997. There is a special Mountain Sub-Programme with much emphasis on tree planting and on sustainable livestock issues. However the statement that mountain rangelands are relatively under grazed (when conventional wisdom is the opposite) does not augur well for biodiversity, which is not mentioned in the reporting at all.

ASIP inputs to range issues which affect biodiversity are estimated at 200,000$ per annum.

4 EU Support to Environmental Awareness : LHWP Phase 1b areas. (490,000Ecu) 0.6 mill$.

Due to start this year, this will be support for broad Environmental Awareness activity, including Biodiversity. This picks up on LHWPs success with a participatory process in their compensation programme.

5 GEF Regional Programmes address database development, especially for plant resources. SABONET is approved, with a focus in NUL - Botany. This project will interact with this node.

6 GOVERNMENT PROGRAMMES

a Maintenance of Selabathebe "National Park" Ministry of Agriculture, Conservation Section.

This small park was gazetted under colonial rules as a no hunting sanctuary. Its legal status remains ambiguous, but it is managed as if it were a Park - ie no legal exploitation. Present expenditures greatly exceed meager tourist receipts. The EU project will provide some support. There is an adjacent Training awareness centre.

b Nature Conservation Programmes in General Ministry of Agriculture

Minor funding maintains awareness programmes, education for *Aloe polyphylla* etc.

c Forest Division Programmes

Inputs to woodlots, plantations, and monitoring woodland status. There is ongoing support from GTZ and CARE for participatory Social Forestry activity.

d Ministry of Lands

Support from DIFD maintains progress with land registration and survey.

6 NGO PROGRAMMES

Quthing Wildlife Society: No external funding, awareness & survey from membership.
EU support to Tree Farming groups in many areas.
Africa 2000 (UNDP) to farmers groups in many areas.
Note : There is no GEF small Grants Programmes in Lesotho as yet.

ANNEX 7 : INCREMENTAL COSTS

The global and domestic benefits flowing from both the baseline and the proposed interventions are summarised in the following two tables. Thereafter the implications of both are discussed.

A IMMEDIATE OBJECTIVE 1 PROTECTED AREAS

Cost Type	Cost m$	Domestic Benefits	Global Benefits
Baseline	1.000	Single small protected area: little tourism, little benefit.	ONE of 10 habitat types protected. *
Alternative **	4.644	Basis for eventual ecotourism, but benefit will be years away!	Full range of habitats protected within system plan.
Incremental Cost	3.644		
GEF INPUT	1.064		
Other input	2.500		

* Habitat protected is higher altitude sandstone in the one PA in Lesotho.
** Alternative includes both the Baseline AND and the increment.

B IMMEDIATE OBJECTIVE 2 BIODIVERSITY OUTSIDE PAs.

Cost Type	Cost m$	Domestic Benefits	Global Benefits
Baseline	4.000	Some rangeland productivity maintained, open access regime reduces productivity. ASIP may produce limited BD benefits in time, not unless specific BD inputs are in place.	Virtually none. Continuing loss of biodiversity.
Alternative **	7.468	Rangeland management systems improved, with greater participation. User access reforms increase range production - in time.	Greater awareness of biodiversity value allows BD increase across country. Grazing systems support global values, people see incentives to conserve.
Incremental Cost	3.468		
GEF INPUT	1.416		
Other input	1.850		

** Alternative includes both the Baseline AND and the increment.

Description

The **baseline or "business as usual"** scenario will witness a continuing decline in biodiversity values, with little further Protected Area input, and a grazing regime which continually reduces carrying capacity, and sees loss of preferred species and habitats (wetlands). Major agricultural initiatives (eg ASIP) could alleviate grazing pressures, but advances are likely to be production oriented unless a Biodiversity focus is introduced.

The **Project Alternative** has two scenarios:

Scenario A. This is where the Co-Financing inputs take place, WITHOUT the GEF input. Here there will be some advances in Biodiversity conservation, but sustainability will be much less certain:

> Some key sites in the mountains will be protected (EU supported initiatives in the East, LHDA supported initiatives in the centre).
>
> Communities in those sites will benefit from greater participation and awareness.
>
> There will be some spin-off benefit in general awareness and understanding.
>
> There will be a nucleus of biodiversity concern in NES (UNDP funding), but little technical or operational capability.

Scenario B. This is where the GEF inputs take place, WITH the Co-Financing activity. Here there will be major advances in that:

> A national level Protected Area System plan will be in place, targeting ALL areas of biodiversity significance. The PA coverage will be increased in absolute terms and in coverage of habitats.
>
> Community empowerment and participation addressed within a wider framework, from enabling activities as well as field level grass-roots activity. National NGOs and CBOs will be involved to a greater extent.
>
> The policy environment governing mountain landuse will be more supportive to Biodiversity concerns. This will buffer the small "core" areas protected specifically for Biodiversity.
>
> The biodiversity nucleus in NES will have greater capability.
>
> An additional site, Quthing District in southern Lesotho, will have strong conservation capabilities, with many lessons on further direction for national resources. A Biodiversity Trust Fund will provide incentives for such conservation.

ANNEX 8: TERMS OF REFERENCE FOR PROJECT ORGANS AND STAFF

Coordinating Mechanisms:

a) The National Project Steering Committee (NPSC) and Project Management Technical Committee (PMC)
b) The District (Site) Steering Committee

National Professional Staff:

c) The National Project Manager (NPM)
d) The District Project Officer (FPO)
e) The National Economist (NE)
f) The National Sociologist (NS)
g) The National Biodiversity Officer (NBO). Note the NBO is supported within Government.

International Staff

h) The Chief Technical Adviser (CTA)
i) The Technical Adviser: Economics (TA:E)

j) Administrative Staff - Schedule of Duties

(a) : NATIONAL PROJECT STEERING COMMITTEE and PROJECT MANAGEMENT COMMITTEE

There will be a National Project Steering Committee (NPSC) to ensure adequate oversight and integration of project activity at policy level. However, in light of recent experience, and following Government -UNDP agreement on this issue, there will also be a technical Project Management Committee (PMC) which deals with coordination and oversight at technical and implementation levels.

The National Project Manager (NPM) and National Biodiversity Officer (who acts as National Project Coordinator (NPC) for this project, and the CTA are full members of both Committees.

- Both committees may invite development partners, project staff and participating institutions as needed .
- The National Steering Committee will meet at least once a year, functioning as the Tri-Partite Review; but could meet more frequently at the start of the project or as the need arises.
- Steering Committee meetings will be called by the chairperson of the Steering Committee. The National Project Manager, supported by the NPC, will be the Secretary to the meeting.
- Minutes of meetings will be kept. Decisions will be by consensus.

- The National Steering Committee will have four major objectives:

1 To monitor project implementation at overall policy level.
2 To oversee and provide guidance to project activities and ensure activities address national priorities.
3 To Act as the Tripartite Review Mechanism for the Project.
4 To consider other issues as requested by the Project Management Committee.

- The Project Management Committee has 4 major objectives:

1 To provide technical guidance and oversight to project activity.
2 To provide a mechanism for coordination between project activity, and between sectors.
3 To approve project technical reports and outputs.
4 To provide advice to the NPSC, and channel recommendations to the NPSC.

Note that the PMC will maintain strong linkages to the District Steering Committee, The PMC reports to NPSC.

Composition of National Project Steering Committee

Representative of PS Ministry of Economic Planning (Chairman)
Director General, NES
Representative of PS Ministry of Local Government
Director, Forestry Conservation and Land Use Planning, Ministry of Agriculture
Director Livestock Services, Ministry of Agriculture
Representative of the Ministry of Agriculture Planning Section / Environmental Unit
Representative from LHDA
Representative of Protection and Preservation Commission
United Nations Development Programme
District Secretary, Director, Quthing District. (Also the Chairman of the district Committee)
National Project Manager, National Biodiversity Officer NES, Chief Technical Adviser.
Representatives of other similar biodiversity projects will be invited as Co-opted Members.

Composition of Project Management Committee

National Project Manager, CTA, National Biodiversity Officer (NES), District Project Officer (Quthing)
Chief, Rangeland Management Division, MOA
Chief, Conservation Division, MOA
Representative, NUL.
Other related Project Representatives.

(b) TERMS OF REFERENCE: DISTRICT STEERING COMMITTEE (DSC)

In order to ensure broader technical coordination and guidance at district level, there will be a District Steering Committee (DSC).

The District Steering Committee will meet at least 3 times a year, but may have to meet more frequently at the start of the project. In consultation with the project management unit the steering committee meetings will be called by the District Executive Secretary. The meetings will be chaired by the District

The District Steering Committee will have four major objectives:

1 To oversee and provide guidance to site level project activities, and to ensure that such activities address district priorities; to make reports on project progress and make recommendations to national steering committees as to changes required in project implementation.
2 To provide a forum and basis for ensuring an integrated approach to project activities in the districts.
3 To monitor project implementation in terms of effectiveness and timeliness of inputs and in terms of the success of project activities for delivery of outputs.
4 To facilitate consultations between border districts on cross-boundary issues in liaison with relevant institutions.

Minutes of the meetings will be kept. Decisions will be by consensus. The steering committee may constitute sub-committees or task forces on specialist topics or to review individual project activities.

District Steering Committee Composition,
1. District Secretary (Chairperson)
2. District Planning Officer
3. District Community Development Officer
4. District Agricultural Officer
5. District Forest Officer
6. **District Rangeland / Livestock Officer,**
7. District Conservation Officer
8 NGO Representative
9. The Hon. MP for the area
10. A Representative of linked donor activities in the district
11 The Chairman of the District Development Council
12 A Representative of Grazing Association from the District
13 A Representative of the Principal Chief for the project sites.

DPO, NPM and CTA will provide the secretariat for the Committee.

(c) TERMS OF REFERENCE: NATIONAL PROJECT MANAGER (NPM).

Under the overall supervision of the National Implementing Agency (NES) and in close collaboration with the National Project Steering Committee and UNDP, the National Project Manager will be responsible for the overall management of the project. The schedule of duties for

the NPM is as follows.

1 Overall responsibility for project management including:
   Administrative issues:financial control, supervision of staff and ensuring proper use of resources.
   Technical issues, ensuring timely and proper implementation of project activities (see log frame)
2 Undertake the ordering and distribution of project equipment. Ensuring such equipment is used in accordance with established rules and regulations.
3 Undertake the preparation and monitoring of study-tours and fellowships.
4 Provision of support to project consultants and contractors in administrative procedures and technical issues at project management level.
5 Assisting project components and contracted institutions in the maintenance of project imprest accounts, and assist in general financial disbursement and control procedures.
6 In consultation with the National Implementing Agency and other institutions, organise national workshops and other fora to promote coordination for biodiversity protection.
7 Coordinating and implementing the central and district components of the project, including where necessary, technical inputs to the components.
8 Act as the main focal point for day today project activities and assist the DPO and District Officers in the fulfillment of the Project's field responsibilities as required.
9 Providing assistance to the District authorities. Advising the National Implementing Agency on issues relating to the project and their regional and international significance.
10 In collaboration with NIA, draft contracting mechanisms with relevant institutions in the implementation of the national activities and to monitor and supervise the fulfillment of contractual obligations.
11 In addition to inception, quarterly, mid year reports, PPERs and others; prepare a terminal report to be submitted to the National Implementation Agency and UNDP.

Experience and Qualifications required:

The National Project Manager (NPM) will have a second degree in the Biological or Natural Resources Sciences, with proven interest in Biodiversity. The NPM will have proven senior management and administrative experience. Experience in project management and UNDP procedures, will be an advantage. Computer skills, a valid driving licence and an ability to write technical reports are essential attributes. The person will have a demonstrative ability to network and work in close collaboration with others.

(d) TERMS OF REFERENCE : DISTRICT PROJECT OFFICER (DPO).

Under general supervision of the National Project Manager, and in close cooperation with the District Steering Committee, the DPO will:

1 Be responsible for the day to day activities of the project within the project sites.
2 Oversee financial management of the project and project funds in the district on behalf of the National Implementing Agency.
3 Maintain and control the use of project equipment in accordance with government and UNDP regulations.
4 Provide advice to the District authorities and local communities on issues related to biodiversity in the area of operation and link the issues to local and national development activities.
5 Coordinate and facilitate implementation of the District components of the project in close liaison with relevant District departments.
6 Promote awareness of conservation issues In consultation with the District authority and associated institutions, representatives of other donor organisations in the District NGOs and relevant Central Government Departments.
7 Liaise with other organisations dealing with the conservation of biodiversity in the areas, including international and non-governmental organisations.
8 Assist in the identification and facilitation of support to local Community Based Organisations (CBOs) with relevance to biodiversity conservation and use.
9 Assist in the facilitation of joint-management programmes for natural resources with local communities.
10 Liaise on behalf of the project with other district projects and donor activities.

The District Project Officer will make monthly and quarterly reports to the National Project Manager, copied to the Chairman District Steering Committee, for purposes of monitoring and evaluation.

Experience and qualifications required

The District Project Officer will have a degree in Biological Sciences, or Natural Resource Management, or an equivalent subject. Interest in biodiversity will be an advantage. Experience in project management community based natural resources management and district level administration will be useful.

(e) TERMS OF REFERENCE: PROJECT ECONOMIST

1 Under general supervision of the National Project Manager, and in close cooperation with the National Environment Secretariat, and the International Economics Adviser, the PE will undertake the following schedule of duties:

2 Be responsible in carrying out the economics activities of the project, in particular those under outputs 2.1., 2.2. and 2.3. The PE will work with the guidance of the Ecological Economics Technical Adviser in developing protocols for these activities.

3 Be responsible for raising awareness of ecological economics (environmental accounting, valuation incentives analysis) issues within the project setting.

4 Be responsible for reporting the results of economic activity.

5 Advising the NPM and National Environment Secretariat on economics issues.

6 Participate in training programmes at central and field levels.

Duty Station Maseru. Duration three and a half years

(f) TERMS OF REFERENCE: PROJECT SOCIOLOGIST

Under general supervision of the National Project Manager, and in close cooperation with the District Steering Committee, the DPO will:

1 Under general supervision of the National Project Manager, and in close cooperation with the National Environment Secretariat, and the Chief Technical Adviser, the PS will undertake the following schedule of duties:

2 Be responsible in carrying out the sociological activities of the project, in particular those under outputs 1.4, 1.5, 2.1, 2.3, 2.4 and 2.7. The PS will work with the guidance of the Chief Technical Adviser in developing protocols for these activities.

3 Be responsible for raising awareness of social issues, people's participation etc (including field methodologies, social surveys, user surveys, livelihood surveys, tenure, participatory issues etc) within the project setting.

4 Be responsible for reporting the results of social analysis etc activity.

5 Advising the NPM and National Environment Secretariat on social issues concerning biodiversity conservation and sustainable use..

6 Participate in training programmes at central and field levels.

Duty Station Quthing. Duration three years

(g) *TERMS OF REFERENCE : NATIONAL BIODIVERSITY OFFICER*

The post of National Biodiversity Officer is a civil service position within the National Environment Secretariat. The NBO will act as the National Project Coordinator for both this as well as other biodiversity projects in Lesotho. This UNDP –GEF project provides short term funding to the post until the established position is funded in the following Government Financial year.

Under the overall supervision of the Secretary-General, NES, and in terms of project remuneration and related delivery, the direction of UNDP Lesotho, the National Biodiversity Officer shall:

1 Act as the desk officer within NES for all related biodiversity activities, including the Convention of Biological Diversity, the Biodiversity Strategy and Action Plan and Biodiversity related projects.

Specifically, the National Biodiversity Officer shall:

2 Function as the National Project Coordinator for biodiversity projects executed by the National Environment Secretariat. In this regard he/she will:

- Act as the entry point to Government for such projects.
- Assist in coordination of project linkages etc.
- Provide the Secretariat for the Steering Committees for such projects.
- Assist Project Management in seeking clearances etc for project personnel and equipment etc.
- Backstop project implementation as needed.
- Provide Project monitoring and evaluation inputs as required under National Execution Modalities

3 Act as the Convener for the National Biodiversity Committee, which will seek the coordination of biodiversity issues in Lesotho through technical networking etc.

4 Provide the focal point for activities related to the Convention on Biological Diversity and draft reports to the Conference of Parties for the Convention.

5 Seek the implementation and monitoring of the Biodiversity Strategy and Action Plan (BSAP).

6 Undertake other duties as may be required by NES.

Qualifications

As this is to be a short-term input, with responsibility for the post to be taken over by Government, the appointee must satisfy Government requirements and be acceptable to Government. A good first degree, and preferably a higher degree in a subject with relevance to biodiversity is required. Working experience at the interface of people and natural resources is desirable.

(h) TERMS OF REFERENCE: CHIEF TECHNICAL ADVISOR (CTA).

1 Under the overall supervision of UNOPS, and local supervision of UNDP Lesotho, the CTA shall:

a) Be responsible through the Secretary General NES, and the National Project Manager to the National Project Steering Committee for the timely provision of advice and support as to the efficient implementation of this project. In order to achieve this the CTA will ensure close liaison with the National Environment Secretariats and Project Management Team at both Central and District levels.

Specifically the CTA shall:

b) Provide support and technical advice on project activities at both national and district levels to National Project Authorities. In particular the CTA should seek to support the National Project Manager in the effective discharge of his duties, through advice and example.

c) Assist in the organisation of, workshops, study-tours and fellowships, and ordering of project equipment, as required.

d) Assist in the preparation of ToR for consultancies and contracts within the project, and to advise and supervise such consultancy and contracts, as needed, and to report progress and outputs to NPM and Project Steering Committee.

e) In consultation with national project staff to promote awareness of regional and cross-border conservation matters.

f) In consultation with National Implementing Agencies, liaise with other organisations dealing with the conservation of biodiversity in the region, including international and bilateral donor agencies, technical agencies and NGOs.

g) Advise national and district agencies, as requested, on issues relating to biodiversity in Lesotho and the region.

h) In collaboration with NPM, to prepare progress reports as needed by project management and supervisory agencies.

i) Undertake other relevant duties as requested by the National Project Steering Committees.

Experience and Qualifications etc.
The CTA will have over 15 years professional experience in the conservation and management of tropical natural resources, or rural development activity. Proven experience with participatory management and capacity building at decentralised levels will be an essential pre-requisite. The CTA will be a person of international standing in these fields, with the capability of advising governments on people - biodiversity interaction issues. The CTA will have considerable experience of project management, be able to work within a team approach and be familiar with field operations. Ideally the CTA will have extensive working knowledge of the African region and UN operations.

Duty Station and Duration.
Maseru, Lesotho. Three years input.

(i) TERMS OF REFERENCE TECHNICAL ADVISER: ECONOMICS

1 Under the overall supervision of UNOPS, and local supervision of UNDP Lesotho, and with technical guidance from the Chief Technical Adviser and National Project Manager to this project ; the TA shall be responsible for:

A Developing a framework of economic activity within the project, specifically addressing project outputs 2.1, 2.2 and 2.3. This will include conceptual guidance, training packages and field and office protocols.

B Providing guidance and on-job training to the National Economist in aspects of ecological economics and environmental accounting that are relevant to this project.

C Advising the National Environment Secretariat on ecological economics issues, with especial reference to incentives and trust funds.

D Assist in carrying out fieldwork in developing socio-economic profiles, resource valuation and economic livelihood analysis.

E Advise the project on reporting needs in the economic activities, and assist in the preparation of such documents.

Qualifications and Profile.

The appointee will have a good degree and preferably a second degree in economics with a focus on environmental issues. The appointee will have considerable field based experience of a broad range of economics topics including resource valuation and incentives analysis. Knowledge of trust fund development will be an advantage

The appointee will have training capability in awareness raising, and in developing short courses and in one to one in service training. An ability to work in a team is essential.

Experience of African mountain ecosystems or rangelands or biodiversity will be an advantage.

Duty Station Maseru, but with much field activity in Quthing.

Duration : A total of twelve months, probably in two periods, of 8 and 4 months.

(j) *SCHEDULE OF DUTIES FOR ADMINISTRATIVE POSTS IN THE PROJECT*

Administrative / Accounts Assistant: Ordering and Administration of Project Equipment including vehicle use, control. The Administrative Officer will undertake supervision of all junior staff, general office management and ensure proper logging of all equipment including vehicle insurance and licensing.

Secretary: Personal Assistant to the National Project Manager. He / She should be capable of working independently and handling routine correspondence appointments etc.

Typist/Clerk. To assist Secretary in routine typing and orderly filing of all correspondences and ensure easy retrieval. He/She will assist with photocopying telephone messages etc.

Project Messenger/Cleaner: The Project Messenger will ensure delivery of all project mail and all other messages as may be required. The appointee will ensure the cleanliness of project premises and washrooms.

Driver: Project drivers will be required to drive project vehicles and ensure proper custody and routine maintenance. They will keep proper logbooks of all journeys, clean project vehicles, etc.

Detailed Terms of Reference will be developed for all the support posts at project inception.

ANNEX 9: PROJECT WORK PLAN

A : Overall Project Timetable : (Years divided into quarters).

Component	Year 1	Year 2	Year 3	Year 4	Year 5
Administration :					
CTA in post	+ + +	+ + +	+ + +	- - - -	- - - -
NPM in post	+	+	+	+ + +	+ + +
DPO in post	+ + +	+ + +	+ + +	+	+
Order Equipment	+	+	+	+ + +	+ + +
Set up Steer Committee	+ + +	+ + +	+ + +	+	+
Tri-Partite Reviews	+	+	+		
External Reviews	+ +				+
Other staff appointed	+				
		+		+	+
	+		+		
	+		+		
1.1 PA Mechanisms	+ + +	+ + +	+		
		+			
1.2 Survey Data	+ +	+ + +	+ + +	+ + +	
		+	+	+	
1.3 Research / Database	+ +	+ + +	+ +		
		+			
1.4 Community PAs	+	+ + +	+ + +		
		+	+		
1.5 Cross Border links	+	+	+	+	+
1.6 Awareness Raising	+	+ + +	+ + +	+ + +	+ + +
		+	+	+	+
2.1 Policy review & tenure	+	+ + +	+ +		
		+			
2.2 Economic valuation	+	+ + +	+ +	+ +	+ +
		+			
2.3 Trust Fund Mechanism		+ + +	+		
		+			
2.4 RMAs supported	+	+ + +	+ + +	+ + +	+
		+	+	+	
2.5 Regulations developed		+ +	+ +		

2.6 Mandates clarified		+ + + +	+		
2.7 Awareness creating	+	+ + + +	+ + + +	+ + + +	+ + + +
2.8 Capacity building	+	+ + + +	+ + + +	+ + +	

NPM = National Project Manager, DPO = District Project Officer. RMA = Range Management Area. PA = Protected Area

B: PROJECT DETAILED WORK PLAN: ACTIVITY : YEAR 1

Activity	Months PRE	START	AFTER					Months PROJECT		START		UP		
Activity	-2	-1	1	2	3	4	5	6	7	8	9	10	11	12
PAD completed	*													
Staff appointed NPM Admin staff Professional staff CTA (via OPS)	*	* *												
NES appoints NPC NES appoints NPSC	*	*												
PMC appointed PMC meetings		*		*										TPR
Bank Accounts		*												
PMU Accommodated		*												
Operational procedures agreed, in Inception Report		*												
Equipment Ordered	*			*										
Biodiversity Framework Monitoring/ Survey					---------- --	------- -								

Workplans for Sites		--------	------ -	----	----	----	----							
Contracts : developed approved starting				----	-----	----	----	*						
Reporting: Quarterly Inception report Annual PPER			IR		QR			QR			QR			QR PER

This framework to be fleshed out into operational plans and incorporated into Inception Report.

ANNEX 10: UNITED NATIONS DEVELOPMENT PROGRAMME

AUDIT REQUIREMENTS FOR GOVERNMENTS EXECUTION OF UNDP FUNDED PROJECTS

1.0 GENERAL

1.1 Accountability of Governments

Governments which execute UNDP projects are responsible for the management of all UNDP resources allocated to a project. In this capacity, a government is accountable to the Administrator for the entirety of UNDP resources under its management.

The administration by government of funds obtained from or through UNDP shall be carried out under their respective financial regulations, rules, practices and procedures to the extent that they provide adequate control over the resources. Where the financial governance of a government do not provide the required guidance, those of UNDP shall apply.

Each government shall maintain such accounts and records as are necessary to enable it to report on the financial status of funds obtained from or through UNDP.

To ensure the uniformity and usability of data required for UNDP management purposes, the Administrator is authorized to specify the basis, content and periodicity of reports on funds obtained from or through UNDP which are to be submitted by governments.

1.2 General Audit Requirement

Article XVII of the United Nations Development Programme Financial Regulations pertaining to external audit has been annexed for information to these requirements and shall, mutatis mutandis, apply to audits of government-executed projects.

The Administrator shall ensure that governments executing UNDP projects shall require their auditors to follow, to the extent feasible, the audit principles and procedures prescribed for the United Nations with respect of funds obtained from or through UNDP and shall submit audit reports annually together with the reports specified in the project document and those mentioned in Section 4 below.

1.3 Audit Authority

Audits of government-executed projects shall be conducted by the legally recognized auditor of the government. In the event the legally recognized auditor of the government is unable to perform the audits, a commercial auditor that is acceptable to UNDP and the government shall be engaged. If a mutually acceptable commercial auditor cannot be found, UNDP will consider the assignment of its internal audit staff to conduct the audits.

2.0 PURPOSE OF THE REQUIREMENTS:

The purpose of these audit requirements is to provide auditors of government-executed projects (herein after referred to as "the Auditor") with UNDP terms of reference for audits of government-executed projects.

The procedures and requirements are addressed under the following categories:

- UNDP audit objectives and scope for government-executed projects;
- Financial accounting, monitoring and reporting procedures;
- Audit findings and recommendations;

. The audit process; and
. Source of audit funding;

3.0 AUDIT OBJECTIVES AND SCOPE

The overall objective for an audit of a government-executed project is to obtain reasonable assurance that UNDP's resources are being managed by governments in accordance with their financial regulations, rules, practices and procedures, the project document, the project implementation, monitoring, evaluation and reporting and the accounting and financial reporting procedures for government execution which are contained in Sections 30500 and 30600.

In managing these resources, a government has fiduciary and compliance responsibilities to UNDP. It also has compliance responsibilities for UNDP reporting procedures. Thus, an audit of a government-executed project must fulfill a set of audit objectives designed to provide UNDP with reasonable assurance that:

. Project disbursements are made in accordance with the project document;
. Project disbursements are valid and supported by adequate documentation;
. An appropriate system of internal control is maintained by the project management and can be relied upon;
Project financial reports are fair and accurately presented; and
Project monitoring and evaluation reports are prepared as required.

The audit shall be conducted in conformity with generally accepted common auditing standards and in accordance with the Auditors' professional judgement.

4.0 FINANCIAL ACCOUNTING, MONITORING AND REPORTING PROCEDURES

Adequate control systems should be in place within a project management structure. In order to determine whether satisfactory measures exist and are being followed to prevent losses or detect potential risks, the Auditor should review the general control environment as well as the specific internal accounting controls that are being used to support and validate transactions.