

THE WORLD BANK/IFC/M.I.G.A.

OFFICE MEMORANDUM

DATE: April 16, 1999

TO: See Distribution Below

FROM: Lars Vidaeus, GEF Executive Coordinator, ENV

EXTENSION: 34188

SUBJECT: **PDF Block A Request --South Africa: Richtersveld Community Biodiversity Conservation Project.**

Please find attached a PDF Block A for the above-mentioned project. We would appreciate your comments by April 23. Thank you.

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BLOCK A PDF

1. Project name: <i>Richtersveld Community Biodiversity Conservation Project</i>	2. GEF Implementing Agency: <i>The World Bank</i>
3. Country or countries in which the project is being implemented: <i>South Africa</i>	4. Country eligibility: <i>Convention on Biodiversity ratified: 11 / 02 / 95.</i>
5. GEF focal area(s), and/or cross-cutting issues: <i>Biodiversity</i>	6. Operational program/Short-term response measure: <i>The project cuts across the following operational programs: (1) Arid and semi-arid ecosystems, (2) Coastal, marine and freshwater ecosystems.</i>
7. Project linkage to national priorities, action plans, and programs: <i>The project is in line with national biodiversity conservation programs as expressed by a range of recent and pending legislation including the Living Marine Resources Bill, the National Heritage Bill and the White Paper on the Conservation and Sustainable Use of South Africa's Biological Diversity.</i>	
8. GEF national operational focal point and date of country endorsement: <i>Department of Environmental Affairs and Tourism – Letter of Endorsement: 11 / 03 / 98.</i>	
<p>9. Project rationale and objectives: <i>Located in the northwestern corner of South Africa, the Richtersveld is one of the highest biodiversity desert ecosystems in the world. The region's high degree of endemism has been the topic of many research projects. In fact, recent work by the country's foremost biodiversity scientists, still in press, reveals this area to be the most significant in terms of biodiversity 'hotspots' in all of the greater Namaqualand (which has been hailed by Conservation International as the most significant desert biodiversity region in the world). Unfortunately, the bulk of this biodiversity remains unprotected. The Richtersveld National Park (RNP), the first fully contractual park in South Africa, is experiencing a range of problems that threaten its survival. The park belongs to the communities, but is leased to the SANP. There is a strong perception that earlier promises made to the communities have not been kept. There are also other imminent and growing threats to the region's biodiversity. The diamond mines in the area are in a state of decommissioning and laid-off workers are returning to the land with a risk of engaging in unsustainable practices, including goat farming. Previously inaccessible areas (for security regions) will become open again, yet there exist no land-use plans for the area.</i></p> <p><i>The overall baseline scenario for the region is grim: as the mines lay off more workers, the impact of humans on the land could increase dramatically in terms of unsustainable land-use practices, including goat farming and small mining operations that can be very destructive to the environment because they are spread out and difficult to control. Unfortunately, no overall coherent development plan exists for the this largely pristine coastlines which need to be put into an environmental economic framework for the region. A medium-sized grant or higher level engagement from the GEF can positively influence the region's conversion away from a non-sustainable mining-based culture to a nature-based one in which biodiversity protections plays a major role. The GEF project will pursue three inter-related objectives that can be expressed in terms of the region's baseline scenarios a more sustainable and biodiversity friendly scenario with GEF support:</i></p> <p>(1) <i>To develop and help implement a regional Conservation and Protected Area Framework for the region, with the Richtersveld National Park (RNP) at its core. This framework will be linked with a broader regional framework, including the greater Namaqualand and the transfrontier area, both in terms of conservation and community-based tourism initiatives. This framework will emphasize active community involvement through: (i) a management plan for the Richtersveld National Park (RNP) prepared in consultation with local communities, and (ii) the establishment of 'Community Conservancies' and other protected areas for conserving biodiversity outside the RNP. In building this framework, three aspects of the baseline need to be considered: (a) For a regional approach to work, many stakeholders/actors have to be brought together. They include the communities (both sides of the Orange River, and further down south in Namaqualand), the mining houses, the national parks</i></p>	

systems on both sides of the border, regional and provincial government, NGOs and the private sector, to name but a few. The baseline scenario is the lack of such effective consultation and planning at a regional level. The scenario with GEF support will include bringing together the various role players with the aim of uniting them in a common nature-based vision of the future. Much progress has already been made in this regard, but the GEF support will provide a specific support to move the process toward its conclusion; (b) The Richtersveld National Park(RNP) is currently experiencing serious management problems. Local communities are ambivalent to the park because an ineffective management system set up under the previous government is not achieving its goal. Only an undated draft management plan exists for the park but it is unlikely that the management committee will ratify this plan and the process has ground to a standstill. GEF support can help rectify these problems by supporting a good consultative planning process. The communities, park staff and the SANP head office have indicated that they would be eager to embark on such a planning process. Funds are currently lacking, but matching funds have already been promised by TRANSFORM (a partnership between the Department of Land Affairs and GTZ); (c) The third aspect of the baseline is that the bulk of the area's biodiversity is found outside the existing RNP. For instance, the Richtersveld contains over 1200 plant species, but only about 450 are found in the park itself. Many endemics are found outside the park. There currently exist no protective measures for the mountainous region south of the park, the alluvial plains running toward the ocean, or the coast itself. The proposed objective is to protect this biodiversity, not by expanding the park or creating additional ones, but by involving local communities/landholders directly, through the establishment (with GEF assistance) of Community Conservancies. Precisely how the conservancies will work is not certain at this point, but there are a number of different examples in South Africa that can be followed or studied. Essentially they will operate under a management system commonly agreed upon by the landholders. The option is a very realistic one for the Richtersveld. The land belongs to the communities and is administrated by the Richtersveld Transitional Council (RTC). The latter has already given its go ahead for an investigation into the establishment of conservancies to proceed. Several communities as well as community-based interests groups, already strongly support the establishment of Community Conservancies. The latter include the Northern Namaqualand Tourism Task Group (NNTTG), an unfunded community-based group tasked with the planning of ecotourism in the area, and the Tourism Information Centers (TICs), which are small community-based tourism information offices. Currently, not all high biodiversity sites can be protected as Community Conservancies. Some of them, particularly those inside the Alexkor Ltd mining areas, may be best preserved as National Heritage Sites until the mining activities have ceased and the area becomes open again (expected life time of the mine is 4.6 years). They can then be incorporated into the lattice of conservancies and other PA's. In summary, the baseline scenario is increasing grazing pressure and ad hoc development of the area without any land-use plan or regard to biodiversity conservation; the GEF funded scenario would support a lattice of conservation areas, including the RNP, one or more provincial parks, community-based conservancies, and National Heritage Sites. There are further potential spin-offs. For instance, there exists considerable potential for the extension of the Richtersveld into a transfrontier park. Talks have been had with the SANP, the Peace Parks Foundation and the regional councils in Namibia (who are tasks with planning and coordination). The objective is also to support the development of a regional framework for transfrontier conservation that includes the RNP, the lattice of community-based conservancies and other protected areas, and the emerging community-based tourism initiatives on both sides of the border. Furthermore, the potential for synergy with the proposed Groen-Spoeg National Park that lies further south, is considerable as both areas lie along the rising North-South tourism route.

- (2) **Integrating biodiversity conservation in economic development of the Alexkor Ltd/Richtersveld area and possibly the broader region (including the special challenge of dealing with the impacts of increasing mine decommissioning):** The baseline scenario is that biodiversity is already under threat in the 93 km of coastal area under control of Alexkor Ltd, - Alexkor Ltd is a parastatal diamond mine. The owner is the Government of South Africa - and the adjacent inland areas. The threat increases with the decommissioning of the mines because: (i) areas currently unexploited will become available again (including in particular, several biodiversity-rich coastal sites, including a few which could be declared as South African National Heritage Sites); and (ii) thousands of newly unemployed people will be seeking to make their living by direct utilization of the area's biological (inland and coastal) resources. The Alexkor Ltd management and the government (local, regional, provincial and national) have a shared responsibility to help meet the local peoples' economic development needs, and are

currently actively exploring options for doing so –mainly focussed on facilitating the development of (hopefully sustainable) consumptive utilization of these biological resource. That would be the baseline scenario. The alternative scenario to be supported by the GEF is the integration of biodiversity conservation into the region's economic development planning. For biodiversity conservation to be sustainable in the region, it has to be linked to emerging nature-based tourism opportunities that will benefit the communities by providing livelihood options to the local inhabitants. Luckily there exists plenty of opportunity to do so. Community Conservancies can easily be linked to tourism development initiatives such as a circular route being developed by the NNTTG. The region has great potential as an ecotourism destination in the strictest sense (as defined by the Ecotourism Society) because the human population is small and the annual visitor:resident ratio is already about 1:5 (which is about four times more favorable than the national average for South Africa). Various mechanisms already exist for the transfer of benefits to the local communities, including the TICs, a network of community-based biodiversity and cultural centers (currently known as the living museum network) and a fledgling field guide association that can be placed on a solid footing with proper training and development;

- (3) **Maximizing conservation and protection of globally significant biodiversity in the process of mine rehabilitation:** Important biodiversity sites include the Orange River mouth (a Ramsar site), a lichen field with unequalled diversity on the Southern African subcontinent, fossil deposits and archaeological sites, two mountains that were islands in geological times, breeding colonies of the Cape Fur Seal and rare and endangered bird species (one of which is endemic to the region), unique succulent populations and an isolated canyon providing refuge to rare and endemic species. As the mine is decommissioned, Alexkor Ltd is only bound by law to rehabilitate as much of the physical surface damage as possible, without any special concern for ecological restoration, or to prioritize rehabilitation action based on biodiversity significance. The GEF-supported alternative would help to maximize the positive biodiversity conservation impacts of the rehabilitation activities undertaken by the mine. For instance, the limited rehabilitation funds available to the mine can be directed to the most important areas first. The GEF funds will then be used incrementally for biodiversity surveys, monitoring and other actions (including minimal infrastructure such as board walks and sign posting) that will lead to the declaration and safeguarding of the most special areas as National Heritage Sites. GEF funds will not be used for the rehabilitation of damage done by mining.

10. Planned activities to achieve outcomes:

Each objective under 9. requires a set of planned activities as listed below them:

Objective (1) (regional biodiversity conservation plan/unplementation): The GEF project per se would: (i) support the joint development of a management plan for the RNP (involving communities, local government, the SANP and other potential stakeholders); (ii) support consultative development of a conservation /PA plan for the Richtersveld area, within a broader regional framework including greater Namaqualand and the neighboring Namibia area; (iii) help local communities develop and establish Community Conservancies; (iv) encourage and assist local communities to develop and implement management plans for these Community Conservancies, which effectively incorporate conservation of the area's globally significant biodiversity in a lattice of conservation areas across the Richtersveld, and; (v) support a network of community-based biodiversity and cultural centers that will be tools for environmental education and biodiversity conservation.

Objective (2) (integrating biodiversity conservation into regional economic development planning including decommissioning): The GEF project would include (i) identifying the highest priority biodiversity sites to be protected/conserved; (ii) establishing biodiversity monitoring systems in which schools and communities can be involved; (iii) identifying and helping communities to develop economic activities that will encourage and promote biodiversity conservation in the area (especially for high priority sites). Luckily there exists considerable potential for nature-based tourism in the greater Namaqualand and transfrontier areas. Tourism is already a growing economic activity in the area, but GEF support could help it to develop in a more ecologically and socially beneficial way;

Objective (3) (promoting and enhancing biodiversity conservation in mine site rehabilitation): The GEF would be used for: (i) identifying the highest priority sites to steer the focus of the available (and limited) rehabilitation resources; (ii) providing technical information needed to manage them most effectively from

a biodiversity standpoint; (iii) helping to identify and implement economic activities involving those high priority areas which are compatible with maintaining their biodiversity (for instance developing a circle route for tourism, using the available accommodation at the mine and developing guided access for ecotourism groups to special sites); (iv) providing direct support for some management aspects, for instance putting in place biodiversity monitoring systems and preparing relevant documents for National Heritage Site status nominations for deserving sites.

12. Stakeholders involved in project:

The key stakeholders are the communities of the Richtersveld and, as the project progresses, their counterparts in southern Namibia. Other important role players are local and provincial government, the Regional Councils (in Namibia), certain national departments and directorates, parastatals such as Alexkor Ltd and the South African National Parks (SANP), NGOs such as the Peace Parks Foundation, and the other mining houses.

13. Activities to be financed by the PDF:

- (a) In order to include support for the development of the Community Conservancies, there is a need to get the consensus of community members that they want to follow this route (local authorities, community-based interest groups and one community thus far supports the direction, but this is not enough). Therefore workshops with the key Richtersveld communities will be held to raise awareness of the benefits and implications of Community Conservancies, culminating (hopefully) in consensus to proceed with establishing them;
- (b) The respective mandates, roles and responsibilities of various institutional actors (Richtersveld Transitional Council, Alexkor Ltd management, various community-based structures, the regional and provincial government, the SANP, etc.) need to be clarified and agreed upon – both in relation to project coordination and implementation of the various project activities, and in relation to management of the land and biological resources themselves – particularly following the mine decommissioning;
- (c) The legal status of Community Conservancies has to be clarified in terms of the Richtersveld which is a communal area. Thus legal research and a comparison with other Community Conservancies will be undertaken on a 'lesson learned' basis;
- (d) Potential matching funds for environmental sustainability and biodiversity conservation are available from a variety of sources. It needs to be made clear how much matching funds are available, exactly from what sources, and for what purposes such matching funds can be used;
- (e) Various players can potentially be involved in the execution of the GEF project. It needs to be determined who the most suitable executing agency should be from the current pool of player (for instance, a community trust, an NGO, Alexkor Ltd itself, the SANP, etc.);
- (f) Finally, (a) clear direction(s) for future engagement(s) by the GEF in the region will be identified; such direction(s)/program(s) will carry the approval of all the main players, in particular the people from the region themselves;

14. Expected outputs and completion dates:

The outcomes relate strongly to the activities under 13. above, and are numbered accordingly:

- (a) Decision from communities to proceed with community-based biodiversity conservancies;
- (b) Clarity and agreement of the various role players on their respective duties and types of involvement;
- (c) Clarity on the legal status of Community Conservancies and other protected areas, the implications of various options, and clear recipes that will lead to their establishment;
- (d) Firm commitments in terms of type and amount of matching funds for the various activities in the GEF project;
- (e) An appropriate and mutually agreeable executing agency in the region that will drive the execution of the various project tasks and oversees delivery;
- (f) A medium-sized project brief, or a PDF Block B proposal – depending on the nature and the complexity of the PDF A outputs as well as on the scope of the potential GEF support -, incorporating the results of activities under 13. above. Thus the process of strategic planning for the region will be moved forward. It should be pointed out that one aim of the Block A PDF will be to determine who the most appropriate applicant will be for the medium-sized GEF grant or larger GEF engagement. The expected outputs should be achieved within three to four months from awarding the Block A PDF.

<p>15. Other contributors/donors and amounts: <i>Alexkor Ltd has made available \$ 3 200 for the four month period to position the mine's position in terms of nature-based tourism (Total: \$ 3 200), and TRANSFORM (a partnership between GTZ and the Department of Land Affairs) has made available \$ 4 800 for facilitation in the Richtersveld (Total: \$ 4 800). Eco-Africa Environmental Consultants has already contributed a minimum of 40 person-power days to project preparation over the last year (Total: \$ 12 000). Matching funds thus far comes to \$ 20 000.</i></p>	
<p>16. Total budget and information on how costs will be met (including the Block A grant): (a) <i>Field trips, meetings thus far (40 person-power days): \$ 12 000</i> (b) <i>Workshops (mostly with communities), including travel and informational materials: \$ 12 000</i> (c) <i>Meeting with other key players, including travel): \$ 8 000</i> (d) <i>Study on status of community-based conservancies: \$ 8 000</i> (e) <i>Preparation of medium-sized project brief: \$ 5 000</i></p> <p><i>The total amount comes to \$ 45 000, of which \$ 25 000 is requested from the GEF.</i></p>	
<p>17. Name: <i>The Department of the Environment, Northern Cape Province, is the applicant for the PDF. This Department is in charge of environmental planning for the province.</i></p>	<p>18. Date of establishment, membership, and leadership: <i>The Department of the Environment is part of the Northern Cape provincial Government. M. Seaythie Mitha is the contact person</i></p>
<p>19. Mandate/terms of reference: <i>The Department of the Environment is tasked with environmental affairs.</i></p>	<p>20. Sources of revenue: <i>The Department of the Environment is a provincial Government department.</i></p>
<p>21. Recent activities/programs, in particular those relevant to the GEF: <i>The Department of the Environment has biodiversity protection and sustainable livelihood high on its list of priorities.</i></p>	
<p>22. Project identification number:</p>	
<p>23. Implementing Agency contact person: <i>Christophe Crepin - Regional Coordinator - The World Bank -</i></p>	
<p>24. Project linkage to Implementing Agency program(s): <i>South African cluster of medium-sized and other GEF projects</i></p>	

APR 16

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Lefapha la Tikologo le Bohahluudi • Umnyango Wezemvelo Nezokuvakasha • Isebe leMicimbi yakuSingqongileyo noKhenketha
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 Ndzawulo ya ta Mbangu na Vuendzi • Lefapha la Tikologo le Bojanala • Umnyango Wezebhoduluko Nezokuvakatjha



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Dr F Hanekom

Mr Francois Falloux
 Senior Environmental Adviser
 The World Bank Group
 WASHINGTON DC

11/3/98

Dear Mr Falloux

ENDORSEMENT OF GEF PROJECTS

With reference to our discussions in

- Pretoria on 28 September
- Washington DC on 16 October

I wish to present my endorsement of all the under-mentioned projects.

I apologise for the fact that I could not manage to get the endorsements to you before the end of October, but it has been quite a hectic time for me on various fronts.

1. **The Great Addo Area**, as you have discussed with SANParks is a key priority, being an exceptional ecosystem meeting point, already having a core area managed by SANParks, and it is a high priority for both the national and provincial governments. I am liaising with Dr Anthony Hall-Martin on this.
2. **The Drakensberg-Maloti Transfrontier Conservation Project** is an excellent twinning arrangement. I mentioned it to you that I invited Mr Walter Ralitsoele, Economic Counsellor of Lesotho in New York, to my discussion of this project with Ms Kristin Elliott of The World Bank recently in Washington DC. He was impressed and promised to inform his government of the positive situation. Dr Tanya Abrahamse and I have agreed that I shall from now represent us on the Project Steering Committee. I am in contact with Dr George Hughes and Mr Trevor Sandwith of KwaZulu-Natal on this.
3. **The St Lucia Area** is another high priority, both due to it being mentioned as such in our biodiversity papers and on account of its poverty-stricken reality. I am in contact with Colleagues Hughes and Sandwith.

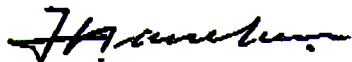
4. The cluster of Medium-Sized Projects have been submitted to you and I am excited by your comment in your letter of 21 October that these are "well prepared" and "stand a good chance to get GEF support". I refer to -
- 4.1 SABRE-GEN (Dr Louis van Heerden of Eskom) on renewable energy and reduction of costs.
 - 4.2 Conservation of *globally* significant biodiversity in agriculture landscapes in South Africa through conservation farming.
 - 4.3 Biodiversity conservation, global change and land-use in the thicket biome, Eastern Cape.
 - 4.4 Sustainable protected area development in Namaqualand.
 - 4.5 The Alexander Bay Coastal Project.

I believe you have all the relevant documentation on these. If not, I shall immediately supply them to you.

Nota Bene, I am presently establishing to what degree the National Committee on Climate Change has given support for Sabre-Gen.

5. The two Peace Park projects/Kgalagadi and Zinave) have been given two separate letters of endorsements.

Thank you and best wishes



DR FRANCOIS HANEKOM
DEPUTY DIRECTOR-GENERAL
GEF OPERATIONAL FOCAL POINT
3 November 1998