



Venezuela: Conservation of Biological Diversity in the Orinoco Delta Biosphere Reserve and Lower Orinoco River Basin. (UNDP)

Operational Program: 2,9 (Biodiversity, International Waters)

GEF Secretariat Review: Work Program Inclusion

Financing (millions): \$10.08 *Total (millions):* \$33.36 1135

Summary

Conservation of Biological Diversity in the Orinoco Delta Biosphere Reserve and Lower Orinoco River Basin.

Expected Project Outputs: The outputs of the project will be as follows:
Conservation management would be operationalized within the Orinoco Delta Biosphere Reserve in accordance with Biosphere Reserve management principles. Local communities would participate in the management of the Reserve. Attitude of the Warao communities towards the Reserve would have been transformed, with recognition that conservation favours their interests and cultural values. Ecotourism concessions would be generating new sources of revenue for biodiversity conservation. The wild bird trade and palmito harvest industries would be more tightly regulated, with better enforcement. Local Warao communities would have greater capacity to plan and execute management programs to ensure the sustainability of their traditional lifestyles and would be accessing scientific expertise. Open access problems would have been addressed by clarifying use rights. Systemic capacities to integrate conservation and development objectives in the Lower Orinoco Basin would have been developed. This would be evidenced by a better understanding of the ecological dynamics of the Delta and of the prerequisite of management needed to protect biodiversity and application of that knowledge in environmental management programs. Collectively, the aforementioned outcome would be reflected in the maintenance of the Delta's global conservation values, authenticated by an assessment of the status of threatened species.

Project Duration (months): 9

Basic Project Data

Project GEF ID:

<i>Staff</i>		<i>Processing Status</i>	<i>Date</i>
Program Manager	Lusigi	Processing Stage	
Implementing Agency	UNDP	Concept Pipeline Discussion	
Regional Coordinator	Eduardo Fuentes	PDF A - Agency Approval	
Executing Agency	National Government	PDF B - CEO Approval	8/31/98
		Bilateral Project Review Meeting	10/18/99
		Work Program Submission and Approv	12/5/99
		CEO Endorsement	
		Agency Approval	
		Project Completion	

Cost Summary

Cost Item	Years	Amount (USD'000)
<u>Preparation</u>		
- PDF A		
- PDF B		\$0.29
- PDF C		
<u>Project Allocation</u>		
- Executing Agency Fees and Costs		\$0.00
- Project Management Costs		\$0.00
- Other Incremental Costs		\$0.00

Completeness of Documentation

Focal Point..... Budget..... Logical Framework.....
 STAP Review..... Increment Cost..... Length.....
 Disclosure of Administration Cost..... Complete Cover Sheet....

1. Country Ownership

Country Eligibility

Venezuela ratified the CBD On 9.13.94.

Evidence of Country Ownership/Country-Drivenness

The project will be implemented by the government of venezuela which has committed considerable resources for financing of the baseline situation. The area has been declared a biosphere reserve by the government and is being nominated as a Ramsar site.

2. Program and Policy Conformity

Portfolio Balance

The proposal is consistent with the precautionary principle embodied in the Convention on Biological Diversity. CBD/COP IV stressed the need to protect inland waters, including rivers and lakes.

Program Conformity

The project is consistent with objectives of the GEF Operational Strategy and biodiversity OP #2

Replicability

This project is well conceived and the conservation measures and models proposed will be replicable in other areas with similar conditions.

Potential Global Environmental Benefits of Project

The Orinoco Delta is an exceptionally rich repository of biological diversity, providing a refuge for a large number of threatened species, including migratory birds and fish. The Delta remains one of the least impacted deltas on the global scale, but faces gradually increasing anthropogenic pressures. Rich in biological diversity, the delta is classified as one of eight distinct biogeographic units with Venezuela, which is one of the world's 17 biologically richest countries.

Sustainability

Institutional sustainability would be assured through capacity building of the institutions involved and by strengthening the capacity of communities to engage in conservation management. Over the long term, new conservation partnerships between government authorities, NGOs, the private sector, and communities would increase conservation awareness and serve to create a conservation constituency vital to sustainability. Provisions for financial sustainability are made under output 34 and include strengthening the ministry budgetary negotiating capacity and compensatory mitigation.

Baseline Course of Action

The root causes of the current and emergent threats to biodiversity in the Orinoco Delta include the lack of capacity at the systemic, entity and individual levels to protect biodiversity and manage harvest of wild flora and fauna, policy weakness, inadequate awareness of conservation values among decision makers, and civil society, and inadequacies in scientific knowledge, including understanding of the distribution of critical natural habitats and ecological processes that sustain them, that hamper efforts to prevent ecological damage. A number of interventions are planned to address these problems in the baseline scenario in the project which include;

- Biological and sociological assessment
- Participatory planning and management of PAs
- Sustainable use of ecosystems
- Fund raising
- Environmental awareness

- Environmental planning and management
- Pollution abatement etc.

Alternative Action Supported by project

The GEF alternative has two immediate objectives. First is to address direct threats to biota in the Delta, including those engendered by subsistence and commercial hunting, fishing and forest use by operationalizing basic conservation operations in the Orinoco Delta Biosphere Reserve and National Park. The second is to foreclose potential threats rooted in the wider productive landscape within and immediately upstream of the delta by integrating conservation objectives into sectoral development agendas. The project would be implemented through a participatory paradigm, involving all major stakeholders and local warao communities in particular, and the establishment of new conservation partnerships between the public and private sector.

Conformity with GEF Public Involvement Policy

The project strategy departs from the traditional way of managing Venezuela's conservation estate by seeking to enlist local communities as partners. Extensive efforts have been made to identify and involve all major stakeholders during the process of project development. Aside from national and state government authorities, stakeholders include Warao communities residing within the Biosphere Reserve, private sector (notably the petroleum, palmito and tourism sectors) and NGOs.

Private Sector Involvement

See immediately above.

3. Appropriateness of GEF Financing

Incremental Cost

The total project costs (net of PDF costs) are US\$ 32,632,683; the incremental cost to be financed by the GEF amount to US \$ 9,498,802 and co-financing to US \$ 23,133,686. GEF investments represent a modest increment to Venezuela's own commitment to conservation and sustainable development (the existing baseline has been conservatively estimated at US\$ 104 mi.).

Appropriateness of Financial Modality Proposed

The phasing out of this project will ensure sustainable financial flows.

Financial Sustainability of the GEF-Funded Activity

The project has provisions for engendering financial sustainability made under output 4 which includes strengthening government departments' budgetary negotiation capacity and compensatory mitigation.

Absorptive Capability

Adequate.

Cost Effectiveness

The future costs of restoring the delta wetlands, should they be degraded, would be prohibitive, particularly given the sensitivity of the ecosystems and propensity for acidification. The loss of biodiversity induced by the felling of swamp forests or mangroves or by wetland drainage would likely be irreversible. A precautionary approach to conservation is cost efficient.

4. Coordination with Other Institutions

Collaboration

See under participation and public involvement.

Complementarity with Ongoing Activities

A new World Bank GEF MSP project that will be executed by the NGO, FUDENA seeks to advance conservation objectives in the Llanos ecoregion, focusing on the watershed of the Apure River, a tributary of the Orinoco River. The two initiatives are highly complementary, although they focus on different ecoregions and conservation concerns. Given its size, no single project could successfully address the conservation needs of the entire Orinoco basin. The two projects would share lessons during the course of implementation.

5. Responsiveness to Comments and Evaluations

Core Commitments

Adequate.

Linkages

These are well articulated in the foregoing.

Consultation and Coordination

These have been extensively done during project development.

Consistency w/previous upstream consultations, project preparation work, and processing conditions

This project had extensive comments made during the approval of the PDFB stage and these were adequately addressed before PDF approval and have been also addressed in the project development.

Monitoring & evaluation: Minimum GEF Standards, ME plan, proposed indicators, lessons from PIRs and Project Lessons Study

Detailed biological and social surveys would be conducted during project implementation to provide baseline for future monitoring. The results of monitoring would be presented to the managing board of the ODBR to inform decision making in the reserve and the ministry.

Indicators

The following indicators have been selected: 1. Vegetation cover 2. Concentrations of heavy metals 3. Fluvial supply of sedimental material 4. Existence of population of threatened species 5. Diversity/catch effort indices. Indicators of sustainable use would include visitors to the reserve, gate fees and the population size of harvested species. Surveys would also chronicle the social and economic impacts of project interventions and appraise social relations and conflicts between different stakeholders and perceptions of the project's impact.

Implementing Agencies' Comments

The World Bank has made the following comments:

1. Measurable outcomes would benefit from better clarity
2. Project design should distinguish between different zones of the BR
3. The project's financing is weak on leveraging
4. The project seems overdimensioned for one area.

STAP Review

The STAP review issues have been addressed in the document.

Council members' Comments

Not yet.

Technical Assurances

Convention Secretariat

Not yet.

Other Technical Comments

The project affects an estimated 21,000 warao Ameridian Indigenous groups, mostly occupying the eastern section of Orinoco Delta. The Waraos are represented in the project through CONIVE, a national NGO representing indigenous groups. The project will look at subsistence use of the wrao (para.42 p.11-12) and how these could be improved by " blending scientific and customary management models for the harvest of wild resources" . Non Wrao communities in the adjacent sites will be targeted through awareness workshops, the private sector and ecotourism. Social outreach teams will be assigned to each site to do social analysis. Multi stakeholder reserve Management Board will be established as the mechanism for community feedback and planning.

Further Processing

Following the bilateral meetings held on October 18, 1999, this project is recommended for inclusion into the GEF Work Program to be presented to the GEF council meeting of December 1999.