



# REQUEST FOR CEO ENDORSEMENT

PROJECT TYPE: FULL-SIZED PROJECT

TYPE OF TRUST FUND: GEF TRUST FUND

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## PART I: PROJECT INFORMATION

Project Title: <b>Securing multiple ecosystems benefit through SLM in the productive but degraded landscapes of South Africa.</b>			
Country(ies):	South Africa	GEF Project ID: <sup>1</sup>	5327
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5054
Other Executing Partner(s):	Department of Environmental Affairs Department of Agriculture, Forestry and Fisheries Endangered Wildlife Trust Rhodes University Council for Scientific and Industrial Research	Submission Date:	12 May 2015
GEF Focal Area (s):	Land degradation	Project Duration(Months)	60 months
Name of Parent Program (if applicable): ➤ For SFM/REDD+ <input type="checkbox"/> ➤ For SGP <input type="checkbox"/> ➤ For PPP <input type="checkbox"/>		Project Agency Fee (\$):	402,600

### A. FOCAL AREA STRATEGY FRAMEWORK<sup>2</sup>

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
LD3 Reduce pressures on natural resources from competing land uses in the wider landscape	Outcome 3.1: Cross-sectoral enabling environment for integrated landscape management (in support of SLM)	Output 1: Integrated land management plans implemented and developed	GEFTF	781,400	8,500,000
	Outcome 3.2: Integrated landscape management practice adopted by local communities	Output 2: INRM tools and methodologies developed and tested	GEFTF	2,195,000	21,383,302
	Outcome 3.3:	Output 4: Appropriate	GEFTF	1,051,500	10,463,488

<sup>1</sup> Project ID number will be assigned by GEFSEC.

<sup>2</sup> Refer to the [Focal Area Results Framework and LDCF/SCCF Framework](#) when completing Table A.

	Increased investments in integrated landscape management	actions to diversify the financial resource base			
Project Management				210,000	175,000
<b>Total project costs</b>				4,237,900	40,521,790

## B. PROJECT FRAMEWORK

**Project Objective:** To strengthen the enabling environment for the adoption of knowledge-based SLM models for land management and land/ecosystem rehabilitation in support of the green economy and resilient livelihoods through capacity building, improved governance and financial incentives demonstrated in the Karoo, Eastern Cape and Olifants landscapes.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
Component 1: Knowledge, skills and institutional capacities to support SLM model development, guide ecosystems and land rehabilitation programmes and increase resilience	TA	<p><b>Outcome 1:</b> Economically viable, climate-smart land/ecosystem rehabilitation and management practices operationalised across 117,300 hectares of the Karoo, Eastern Cape and Olifants landscapes (with potential for upscaling to cover 417,132 hectares)</p> <p><b>Outcome Indicator:</b> Area of degraded land under improved SLM practices in three landscapes of the Karoo, Olifants and the Eastern Cape</p>	<p><i>Output 1.1:</i> Improved land-use and livestock/range management practices implemented in two critical riverine systems in the Karoo.</p> <p><i>Output 1.2:</i> Ecologically-viable livestock farming, vegetative cover and range resources management practices adopted in the Eastern Cape.</p> <p><i>Output 1.3:</i> Watershed management practices adopted by farmers in the Olifants landscape.</p> <p><i>Output 1.4:</i> A strategy for upscaling SLM practices within the Karoo, Eastern Cape and Olifants landscapes.</p> <p><i>Output 1.5:</i> A long-term strategy for participatory monitoring and evaluation by stakeholders (including lands users) of the effectiveness of SLM</p>	GEF TF	2,195,000	21,383,302

			approaches in the Karoo, Eastern Cape and the Olifants landscapes.			
	TA	<p><b>Outcome 2:</b> Increased knowledge and institutional capacity of DEA, DAFF, DWA, relevant departments and local communities to reduce degradation from livestock and crop production and to restore currently degraded lands through the application of knowledge-based land management practices.</p> <p><b>Outcome indicator:</b> Increased capacity of government officials, restoration practitioners and other stakeholders related to SLM practices <i>(Increased score from 2 to 4 as measured by the UNDP Capacity assessment scorecard)</i></p>	<p><i>Output 2.1:</i> Capacity-building and -development programme for improving SLM knowledge and awareness at local, provincial and national level, including the establishment of multi-stakeholder forums for facilitating a dialogue on SLM and mainstreaming SLM into municipal, provincial and national policy programmes and processes.</p> <p><i>Output 2.2:</i> Core staff of technical ministries, regional and local extension support departments and land users in the Nama-Karoo, Thicket and Savanna biomes trained on the use of improved data, tools and methods of ecosystem livelihood and vulnerability assessments as the basis of decision-making on land use within the context of a green economy.</p> <p><i>Output 2.3:</i> Structures for coordinated land-use planning and land/ecosystem rehabilitation practices (including operational bodies such as Conservation Committees) between municipal, provincial and national institutions in the Karoo, Eastern Cape and Olifants landscapes</p>	GEF TF	781,400	8,500,000

			<p>established.</p> <p><i>Output 2.4:</i> Best practices and lessons learned on SLM in the Karoo, Eastern Cape and Olifants landscape captured and disseminated nationwide.</p> <p><i>Output 2.5:</i> A comprehensive GIS-based assessment of socio-ecological resilience to inform ecosystem restoration and SLM in the Karoo, Eastern Cape and Olifants landscapes.</p>			
<p>Component 2: Financial and policy mechanisms for the adoption of SLM devised and implemented and governance systems support SLM</p>	TA	<p><b>Outcome 3:</b> Enabling environment for promoting rehabilitation of degraded land through carbon sequestration (including accessing and capitalising on carbon markets and the preparation of MRV documentation) in the Eastern Cape strengthened.</p> <p><b>Outcome Indicator:</b> Number of hectares of restored spekboomveld in the Baviaanskloof and prepared for access to carbon for finance as evidenced by the number of MoUs signed to form a Baviaanskloof Programme of Activities/Grouped Project and the official</p>	<p><i>Output 3.1:</i> Government approved methodology developed for the generation of carbon credits through the restoration of spekboomveld.</p> <p><i>Output 3.2:</i> Carbon baseline sampling and assessments undertaken for 3,500 hectares in the Baviaanskloof.</p> <p><i>Output 3.3:</i> Project Design Documents for a Baviaanskloof Programme of Activities/Grouped Project prepared and verified.</p> <p><i>Output 3.4:</i> 1,000 hectares of degraded spekboomveld restored in the Baviaanskloof to deliver multiple ecosystem benefits, including reduced soil erosion, enhanced water infiltration and</p>	GEF TF	807,500	8,325,000

		endorsement of a simplified methodology for calculation of certified emissions reductions/carbon credits	increased vegetation cover.			
	INV	<p><b>Outcome 4:</b> Financing and governance frameworks strengthened to support the adoption of SLM approaches.</p> <p><b>Outcome Indicator:</b> SLM mainstreamed into national and sub-national strategies for development and land-use planning and integrated into public expenditure, agricultural subsidies and land reform incentives</p>	<p><i>Output 4.1:</i> Comprehensive analysis of SLM options, including financial modelling, investigation of market opportunities, cost-benefits analyses and a public expenditure review undertaken.</p> <p><i>Output 4.2:</i> National and sub-national strategies for mainstreaming of SLM into provincial development and municipal land-use planning policies developed.</p> <p><i>Output 4.3:</i> Policy recommendations to mainstream SLM objectives into public expenditure, agricultural subsidies and land reform incentives.</p> <p><i>Output 4.4:</i> A national platform on SLM, finance and land/ecosystem rehabilitation in place for national dialogue on the role of SLM in the green economy to support the National Coordinating Body for UNCCD to engage more strategically in SLM, finance and land/ecosystem rehabilitation debate.</p>	GEF TF	244,000	2,138,488
Subtotal					4,027,90	40,346,790

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Project management Cost (PMC) <sup>3</sup>	GEF TF	210,000	175,000
<b>Total project costs</b>		4,237,900	40,521,790

### C. SOURCES OF CONFIRMED COFINANCING FOR THE PROJECT BY SOURCE AND BY NAME (\$)

Please include letters confirming cofinancing for the project with this form

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
Government Agencies	Department of Agriculture, Forestry and Fisheries	Grant	18,689,790
	Department of Environmental Affairs	Grant	20,500,000
CSO	Endangered Wildlife Trist	Grant	332,000
GEF Agency	UNDP	Grant	1,000,000
<b>Total Co-financing</b>			40,521,790

### D. TRUST FUND RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY<sup>1</sup>

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) <sup>2</sup>	Total c=a+b
UNDP	GEF TF	Land Degradation	South Africa	4,237,900	402,600	4,640,500
<b>Total Grant Resources</b>						

<sup>1</sup> In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

<sup>2</sup> Indicate fees related to this project.

### F. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
International Consultants	195,000	450,000	645,000
National/Local Consultants	246,000	150,000	396,000

### G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? No

(If non-grant instruments are used, provide in Annex D an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/NPIF Trust Fund).

## PART II: PROJECT JUSTIFICATION

### A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN OF THE ORIGINAL PIF<sup>4</sup>

<sup>3</sup> PMC should be charged proportionately to focal areas based on focal area project grant amount in Table D below.

Changes have been made in terms of the alignment of the project document with the original project design of the PIF. These changes were made based on stakeholder consultations, and reflect changing national and international circumstances since the PIF was developed. While changes have been made in the wording of outcomes/outputs and baseline projects, it is still working towards the same overall objective and remains based on the same underlying principles. The following summarises noteworthy changes in terms of baseline projects, and project outcomes/outputs:

- One of the baseline projects identified in the PIF has been removed. Following restructuring of the Development Bank of Southern Africa, the Drylands Funds is no longer operational. Therefore, the US\$ 4 million in co-financing from this source that was identified in the PIF did not materialise.
- Outcome 4 of the PIF has been omitted from the project document because of the lack of co-financing available for this outcome. Elements of the original Outcome 4 have now been integrated into the other project outcomes. For example:
  - land and ecosystems stewardship will be promoted under Outputs 1.1–1.3;
  - a strategy for upscaling of SLM practices within the project’s three landscapes will be developed under Output 1.4;
  - sub-projects for land/ecosystems rehabilitation have now been incorporated into a small grants facility under Output 1.4 of the project; and
  - strategies for upscaling of SLM practices beyond the project’s three landscapes will be developed under Output 4.2.
- The wording of all four remaining project outcomes has been altered to make them more specific and relevant to the current national context. However, they remain based on the same underlying principles.

The project design, as presented in the ProDoc, is in-line with the PIF, although some minor modifications have been introduced, guided by the STAP and GEFSec comments and based on data collected during the PPG and the inputs of stakeholders during PPG consultations and workshops. It should be noted that small changes have been made to the overall objective in the PIF to the new one in the PRODOC and CEO ER involving a reordering of the wording to make the meaning clearer, from: ‘To provide incentives (capacity, financial, governance) for the adoption of knowledge-based SLM for land management and land/ecosystem rehabilitation in support of the green economy and resilient livelihoods in the Karoo, Olifants and Eastern Cape’ to the new Objective: ‘To strengthen the enabling environment for the adoption of knowledge-based SLM models for land management and land/ecosystem rehabilitation in support of the green economy and resilient livelihoods through capacity building, improved governance and financial incentives demonstrated in the Karoo, Eastern Cape and Olifants landscapes.’ The changes to the project outcomes are detailed in the table below.

<b>PIF</b>	<b>PD</b>	<b>PD/CEO</b>
<b>Project component/expected outcomes</b>	<b>Project component/ expected outcomes</b>	<b>Justification of the change to the PIF</b>
Outcome 1. Landscape level uptake of economically viable, climate smart land/ecosystem rehabilitation and management practices in three landscapes covering over 30,000 ha (with a stretch target of 100 000 ha), deliver ecosystem and development benefits which include:	Outcome 1. Economically viable, climate-smart land/ecosystem rehabilitation and management practices operationalised across 117,300 hectares of the Karoo, Eastern Cape and Olifants landscapes (with potential for upscaling to cover 417,132 hectares).	Wording has been slightly altered to make the outcome more specific and measurable. The targets have also been revised to be more realistic and feasible.

<sup>4</sup> For questions A.1 –A.7 in Part II, if there are no changes since PIF and if not specifically requested in the review sheet at PIF stage, then no need to respond, please enter “NA” after the respective question.

<p>- Rehabilitation of degraded lands and ecosystems; reduced soil erosion; improved watershed management; increased land productivity, based on Net Primary Productivity measure; % family incomes from SLM practices; and positive carbon sequestration.</p>		
<p>Outcome 2. Knowledge forms the basis for shifting land management practices towards managing for heterogeneity and complexity to enhance resilience.</p>	<p>Outcome 2. Increased knowledge and institutional capacity of DEA, DAFF, DWA, relevant departments and local communities to reduce degradation from livestock and crop production and to restore currently degraded lands through the application of knowledge-based land management practices.</p>	<p>Wording has been altered for the purpose of clarity. In addition, the outcome is more specific with regards to the stakeholders involved.</p>
<p>Outcome 3. A new methodology for establishing baselines for carbon in the Albany Thicket rehabilitation works developed; its adoption reduces transaction costs of small scale AFOLU &amp; ARR projects, leads to 146m tons CO2e sequestered over 30 years, and 900 000 CO2e over 5 years.</p>	<p>Outcome 3. Enabling environment for promoting rehabilitation of degraded land through carbon sequestration (including accessing and capitalising on carbon markets and the preparation of MRV documentation) in the Eastern Cape strengthened.</p>	<p>Wording has been altered to account for the change in circumstances regarding the carbon market. The carbon market is currently performing poorly so it is beyond the scope of the project to pursue the target proposed in the PIF. Instead the project will focus on contributing towards an enabling environment for participation in the carbon market through the development of a new methodology for establishing baselines. However, there is a shift in emphasis to the creation of an enabling environment to facilitate access to the carbon market. See Output 3.3 for more details.</p>
<p>Outcome 4. A land and ecosystems stewardship program incentivises advancement of the green economy at the local level; accompanying land and ecosystems rehabilitation improves livelihoods, food security and incomes for 10,000 households.</p>		<p>This outcome has been removed from the project document because the cofinancing required did not materialise due to the pulling of DBSA as a partner to the project.</p>
<p>Outcome 5. SLM friendly land and ecosystem governance systems piloted in the three landscapes, lessons generated inform national debate on land reform and its role in the green economy.</p>	<p>Outcome 4: Financing and governance frameworks strengthened to support the adoption of SLM approaches.</p>	<p>The wording of the outcome has been altered slightly to make the outcome more specific and measurable.</p>

The project outputs have been contextualised to fit the current needs in South Africa, following the consultations held during the PPG. The following table details the revisions to outputs under Component 1.

<b>PIF</b>	<b>PD</b>	<b>PD/CEO</b>
<b>Expected output</b>	<b>Expected output</b>	<b>Justification of the change to the PIF</b>
1.1. Uptake of improved land use and livestock management practices in two critical riverine systems rehabilitate the critical wetlands and riverine rabbit territory in the Karoo: the return of the Karoo riverine rabbit marks effective rehabilitation.	1.1. Improved land-use and livestock/range management practices implemented in two critical riverine systems in the Karoo.	The wording of the output has been revised to place emphasis upon the drivers of land degradation and how it will be addressed. The riverine rabbit is an indicator of effective rehabilitation.
1.2. Improved ecologically viable livestock farming, vegetative cover and range resource management measures adopted by at least 1 000 farmers in the Karoo and the Eastern Cape.	1.2. Ecologically-viable livestock farming, vegetative cover and range resources management practices adopted in the Eastern Cape.	The target of 1,000 farmers has been omitted. In addition, this output is only relevant to Eastern Cape landscape, therefore reference to the Karoo has also been omitted.
1.3. Improved watershed management practices (e.g. soil erosion control, soil and water conservation, water harvesting; run-off reduction, vegetative cover, range resource management) adopted by at least 25% of farmers in the critical part of the Olifants catchment, securing watershed services in over 100,000 ha; this reduces impacts of cultivation on soil erosion and impacts of droughts, flooding & siltation in dams.	1.3. Watershed management and SLM practices adopted by farmers in the Olifants River catchment.	The wording of the output has been revised slightly and the targets of 25% of farmers and 10,000 ha have been omitted. These have been more accurately reflected in the Project Results Framework.
1.4. Conservation agriculture adopted by at least 10,000 households in the Eastern cape, and over 100,000 tree seedlings planted in the strategic places in three landscapes.		This output has been omitted from the PD because of budgetary constraints. The conservation agriculture activities will be incorporated into the previous outputs.
	1.4. A strategy for upscaling SLM practices within the Karoo, Eastern Cape and Olifants landscapes.	An additional output has been added to support upscaling of SLM practices within the Karoo, Eastern Cape and Olifants landscapes.
1.5. Best practices and lessons captured and upscaled to other regions through a participatory M&E system (including establishment of baselines and targets) for monitoring land and ecosystem rehabilitation at landscape levels.	1.5. A long-term strategy for participatory monitoring and evaluation by stakeholders (including land users) of the effectiveness of SLM approaches in the Karoo, Eastern Cape and Olifants landscapes.	The wording of this output has been altered to reflect the focus on the monitoring and evaluation of implemented measures. The generation of knowledge products is captured under Outcome 2.
	2.1. Capacity-building and -development programme for improving SLM knowledge and awareness at local, provincial and national level, including the establishment of multi-stakeholder forums for facilitating a dialogue on SLM and mainstreaming SLM into	An additional output has been added to support capacity-building and knowledge and awareness raising at various levels of government, including civil society. In addition, multi-stakeholder forums will be established to facilitate dialogue between stakeholders.

	municipal, provincial and national policy programmes and processes.	
2.2. Core staff of technical ministries, Regional and local extension support departments and land users in 3 landscapes trained on the use of improved data, tools and methods of ecosystem, livelihood and vulnerability assessments as the basis of decision-making on land use within the context of a green economy.	2.2. Core staff of technical ministries, regional and local extension support departments and land users in the Nama Karoo, Thicket and Savanna biomes trained on the use of improved data, tools and methods of ecosystem livelihood and vulnerability assessments as the basis of decision-making on land use within the context of a green economy.	The wording of this output has been altered to specify the selected pilot areas within which the activities will take place.
2.3. District soil conservation committees operational and linked to regional and national bodies.	2.3. Structures for coordinated land-use planning and land/ecosystem rehabilitation practices between municipal, provincial and national institutions in the Karoo, Eastern Cape and Olifants landscapes established.	This output has been amended to support broader collaboration and coordination between government departments and institutions at various levels.
	2.4. Best practices and lessons learned on SLM in the Karoo, Eastern Cape and Olifants landscapes captured and disseminated nationwide.	An additional output has been added, which focuses upon the generation of research and knowledge products. These products have been separated from the M&E strategy because they will be used for capacity-building.
2.1. A geo-based climatic, agro-ecological and hydrological information system supported by robust GIS systems is operational by end of project year 2; supports the development of whole operating system approach to land and ecosystem rehabilitation, incorporating climate risk, ecosystem services, livelihoods and local economic development - integrated map-based assessment of socio-economic issues, climate-related hazards, vulnerabilities and climate-sensitive natural resources, identifying threats to ecosystems and livelihood resilience; and. knowledge based recommendations for mitigating the threats incorporated into the land/ecosystem rehabilitation models for the three landscapes - cost benefit analysis of the current degradation, particularly of the watershed services in the Olifants knowledge based mitigation recommended to ensure climate smart watershed management practices; - current carrying capacities of the	2.5. A comprehensive GIS-based assessment of socio-ecological resilience to inform ecosystem restoration and SLM in the Karoo, Eastern Cape and Olifants landscapes.	The wording of this output has been altered slightly to improve the measurability of the output.

land/ecosystems in the Karoo, Eastern Cape and the Olifants, revealing the discrepancies between the carrying capacities and current demands on the ecosystems (for small stock in Karoo and Eastern Cape and farming in the Olifants)		
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The following table details the revisions to outputs under Component 2.

<b>PIF</b>	<b>PD</b>	<b>PD/CEO</b>
<b>Expected output</b>	<b>Expected output</b>	<b>Justification of the change to the PIF</b>
3.1 One new method for establishing and monitoring carbon stocks baselines available.	3.1. Government-approved methodology developed for the generation of carbon credits through restoration of spekboomveld.	The wording of the output has been altered slightly to be more specific. It now refers to a government-approved methodology which will be used under the carbon offsets mechanism that will form part of the national carbon tax.
	3.2. Carbon baseline sampling and assessments undertaken for 3,500 hectares in the Baviaanskloof.	The initial output is no longer feasible following consultations with stakeholders. An additional output has been added to facilitate access to the carbon market.
3.3. At least 10 30-year contracts on carbon credits signed between landowners and carbon credit buyers including clear outline of verification procedures (co-fin).	3.3. Project Design Documents for a Baviaanskloof Programme of Activities/Grouped Project prepared and verified.	The output has been revised in light of the current poor performance of the carbon market. The target of signing 10 30-year contracts is not considered feasible given the uncertainty of identifying willing buyers. Instead, the project will focus upon creating an enabling environment through providing assistance in the preparation and verification of necessary documentation.
3.2. 5,000 ha of degraded spekboom landscape rehabilitated reduces soil erosion and securing habitats for micro-biodiversity and livelihoods.	3.4. 1,000 hectares of degraded spekboomveld restored in the Baviaanskloof to deliver multiple ecosystem benefits, including reducing soil erosion, enhanced water infiltration and increased vegetation cover.	The wording of the output has been amended slightly, and the target reduced from 5,000 ha to 1,000 ha because the initial target is no longer considered feasible.
3.4. 10,000 person days of green jobs employment created per year (50,000 in 5 years).		This output has been omitted from the project document because it is an indicator for green employment created through spekboomveld restoration as part of Output 3.2. It is therefore not regarded as a standalone output as it is already subsumed or implied under output 3.2. as a benefit to be achieved from restoration of spekboomveld as opposed to a target or output that the

		project is specifically designed to pursue.
	4.1. Comprehensive analysis of SLM options, including financial modelling, investigation of market opportunities, cost-benefit analyses and a public expenditure review undertaken.	An additional output has been added for the analysis of current and potential sources of financing for SLM practices.
4.1 Provincial (3) development policies, political and economic development processes and incentives reviewed.	4.2. National and sub-national strategies for mainstreaming of SLM into provincial development and municipal land-use planning policies developed.	The wording of this output has been altered slightly to support the development of strategies. These will be integrated within land use planning and assist agencies to approach SLM funding more strategically.
	4.3. Policy recommendations to mainstream SLM objectives into public expenditure, agricultural subsidies and land reform incentives.	An additional output has been added to support the integration of SLM objectives into existing policies. These policies will be reviewed and recommendations made to strengthen institutional capacities and governance frameworks for SLM.
4.2. A national platform on SLM, land and ecosystem dialogue in place; national dialogue on the role of SLM in the green economy on-going; dialogue supports and augments the value and reach of the National Coordinating Body for UNCCD to engage more strategically in SLM, land & ecosystem rehabilitation debate.	4.4. A national platform on SLM finance and land/ecosystem rehabilitation in place for national dialogue on the role of SLM in the green economy to support the National Coordinating Body for UNCCD to engage more strategically in SLM finance and land/ecosystem rehabilitation.	The wording of the output has been altered slightly for clarity. In addition, the order of the outputs has been altered because of the addition of several new outputs.

**A.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NCSA, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.**

South Africa ratified the **United Nations Convention to Combat Desertification (UNCCD)** in September 1997. This project has been prioritised by the National Portfolio Formulation Exercise (NPFE) undertaken by the key UNCCD Focal Point and land management stakeholders in South Africa. Furthermore, the project is aligned with key national policies and strategies, notably the National Development Plan: Vision for 2030 (NDP), the National Action Programme for combatting desertification (NAP), and the Medium Term Strategic Framework (MTSF), amongst others.

The **National Action Programme for Combatting Desertification (NAP)** was adopted in 2004 and seeks to protect and restore land resources, as well as promote awareness training and mitigation strategies. The aim of the NAP is to form linkages between sustainable development and efforts to combat desertification, whilst mitigating the effects of drought. The NAP seeks to harmonise a number of programmes and plans aimed at promoting SLM in South Africa. Implementation of the NAP requires a bottom-up approach – with a focus on municipal Integrated Development Plans (IDPs) – to combat desertification.

The **National Greening Strategy** supports the NAP. Although not focused specifically on desertification – but rather on “greening” urban and rural areas through forestry development – this strategy can play an important role in this effort. The main purpose of the strategy is to support the development and implementation of greening initiatives with provincial and local government, as well as other stakeholders to improve environmental conditions in urban and rural areas. This is achieved through promoting greening plans and raising general awareness about the importance and value of trees.

The **Comprehensive Rural Development Programme (CRDP)** targets the reduction of poverty in South Africa through support to sustainable rural communities. The Department of Rural Development and Land Reform (DRDLR) is tasked with facilitating integrated development and social cohesion through partnerships with all sectors of society. The CRDP implements broad-based agrarian transformation and diversification of the rural economy. The success of this programme is dependent upon the participation of all levels of government and relevant stakeholders, including the local communities. Communal ownership and the effective contribution of local communities is integral to the sustainability of the CRDP.

The **Agrarian Transformation Strategy** is integral to the success of the CRDP. This strategy focuses on three key areas; i) sustainable land and agrarian transformation; ii) rural development; and iii) land reform based on restitution, redistribution and land tenure reform. Moreover, the strategy seeks to increase agricultural development and enhance the local economy. Thereby ensuring food security, dignity and improved rural livelihoods. The optimal and sustainable use of natural resources and appropriate technologies is also vital to the success of rural development. As is the ownership of projects and programmes through community buy-in. The project is aligned with the following key priorities of the strategy: i) improve productivity in land reform projects; ii) improve corporate governance and enhanced service delivery; and iii) implement proper change management and innovation strategies.

The **NDP** aspires to eliminate poverty and reduce inequality by 2030. As the primary economic activity in rural areas, the NDP identifies agriculture as having the potential to create ~1 million jobs by 2030. The NDP recommends that: i) investment in water resources and irrigation infrastructure is increased where the natural resource base allows; ii) tenure of security is created for communal farmers; iii) support for innovative public-private partnerships should be encouraged; iv) investment in research and development for the agricultural sector should be promoted; v) skills development and training in the agricultural sector, including entrepreneurship training should be promoted and extended – this should include the training of a new cadre of extension officers that will respond effectively to the needs of small-scale farmers; and vi) innovative means for agricultural extension and training by the government in partnership with industries should be sought.

The **Medium Term Strategic Framework (MTSF)**, is a strategic plan for 2014–2019, highlighting government’s commitment to implement, amongst others, the NDP. The priorities identified in the MTSF are incorporated into plans and programmes of national, provincial and municipal departments. The project is aligned with Priority Outcome 10: *Protect and enhance our environmental assets and natural resources*. This outcome is focused on the development of a framework for transitioning to an environmentally sustainable, climate-change resilient, low-carbon economy by 2030. The project will contribute to this outcome by addressing natural resource degradation, which is a key focus of the MTSF. In addition, the project will increase the technical capacity of government at national, provincial and local level to implement appropriate measures to address land degradation. Moreover, the generation of datasets will improve decision-making and governance.

DAFF’s **Integrated Growth and Development Plan (IGDP, 2012)** provides a long-term strategy for the growth and development of South Africa’s agriculture, forestry and fisheries sectors. The purpose is to

develop a common vision encompassing all three sectors. The IGDP has been developed in response to the national goals outlined in the MTSF.

The **Strategic Plan for South African Agriculture** – also known as the ‘Sector Plan’ – promotes a shared perspective between the government and industry on strategic issues within the agricultural sector. Strategic goals identified in this plan include enhanced access and participation; competitiveness and profitability; and sustainable resource management. A review of the Strategic Plan completed in 2008, identified a number of ongoing concerns, namely the slow pace of implementation, limited implementation capacity within government and limited coverage and inadequate funding of some critical programmes. Other factors identified by the review as contributing to the lack of impact of the Strategic Plan included weak implementation capacity and the absence of a comprehensive implementation plan.

The **Comprehensive Agricultural Support Programme** provides agricultural support to land and agrarian reform projects. A particular focus of the programme is empowering provinces – and by virtue thereof agricultural support services – in regards to planning, implementation, information dissemination and reporting. Micro-finance and credit schemes have been developed to assist farmers. In addition, agricultural farmer co-operatives have been established, as well as a farmer-to-farmer mentorship policies. Strategies have also been developed to address the challenges associated with sustainable agricultural production. For example, a livestock development strategy for emerging farmers addresses overstocking and poor productivity, which lead to overgrazing. Furthermore, production guidelines have been developed for farmers and extension officers.

The **LandCare Programme** is a government supported and community based approach to the sustainable management and use of agricultural natural resources. The overall goal of the programme is to optimise productivity and sustainability of natural resources thereby increasing: i) productivity; ii) food security; iii) job creation; and iv) a better quality of life.

Other relevant documents include DAFF’s White Paper on Agriculture, National Biodiversity Strategy and Action Plan (NBSAP, 2005), National Climate Change Response Strategy (NCCRS), New Growth Path and Green Economy Accord (2011).

The **White Paper on Agriculture** lists the following agricultural policy goals: i) developing a new order of economically-viable, market-directed commercial farmers, with the family farm as the basis; ii) broadening of access to agriculture via land reform should be enhanced by adequate agricultural policy instruments and supported through the provision of appropriate services; iii) financial systems should focus on the resource-poor and beginner farmers, enabling them to purchase land and agricultural inputs; iv) trade in and marketing of agricultural products should reflect market tendencies; v) agricultural production should be based on the sustainable use of natural agricultural and water resources; and vi) developing agriculture’s important role in the regional development of southern Africa and other countries.

The **NBSAP** sets out a framework and plan of action for the conservation and sustainable use of South Africa’s biological diversity, as well as equitable benefit sharing from the use thereof. To ensure conservation and sustainable use of biodiversity, the NBSAP focuses upon mainstreaming and integration, institutional effectiveness, co-operative governance and partnerships. The objectives of the NBSAP include: i) establishing an enabling policy and legislative framework that integrates biodiversity management objectives into the economy; ii) enhancing institutional effectiveness and efficiency thereby ensuring good governance in the biodiversity sector; iii) integrating terrestrial and aquatic management thereby minimising the impacts of threatening processes on biodiversity, enhancing ecosystem services and improving social and economic security; iv) enhancing human development and well-being through the sustainable use of biological resources and equitable sharing of the benefits; and v) conserving a

network of conservation areas, which represent a sample of biodiversity, as well as maintaining key ecological processes across the landscape – and seascape.

The **NCCRS** (2004) details the national response to the challenges posed by climate change. The objectives of the strategy seek to achieve sustainable development whilst simultaneously fulfilling the need to respond to climate change. Those of relevance include: i) creating a synergy between national government objectives, sustainable development and climate change; ii) enabling the relevant national government departments to address climate change issues in South Africa; iii) offsetting South Africa's vulnerability to climate change; iv) creating a national greenhouse gas mitigation plan that furthers the process of sustainable development in South Africa in the light of CDM, technology transfer, donor funding, and capacity building opportunities; v) ensuring that government departments in all spheres work together on a cooperative basis in dealing with climate change; vi) ensuring that South African environmental law provides for climate change issues; vii) improving the level of education, training and awareness regarding climate change in South Africa and capacitate the government and other sectors to deal with climate change issues effectively to the benefit of the country. The project is in alignment with the strategy and will address the following initiatives highlighted therein:

- adaptation of rangeland practices;
- adaptation in agriculture;
- reducing greenhouse gas emissions in the agriculture sector through the National Department of Agriculture;
- protecting plant biodiversity;
- protecting animal biodiversity; and
- formulating actions that will offset the economic vulnerability of South Africa to climate change response measures.

The **New Growth Plan** recognises the green economy as one of the essential drivers for climate change mitigation and adaptation. Natural resource management is therefore a focus of the NGP. An additional driver is spatial development, in particular, rural development and the measureable improvement in livelihoods. The NGP provides support for small-scale agriculture – including community food gardens – and marketing, as well as service cooperatives.

The **Green Economy Accord** is a partnership between the public and private sector to promote the green economy and processes to green the economy. Climate change provides new opportunities and prospects for economic activity. The accord is a commitment to investing in the green economy and providing co-financing for commercially viable green economy projects. Green economy projects will be identified and marketed with the investor community – with private sector banks and financial institutions – to promote green funds and portfolios of investment that include exposure to the green economy. The accord will promote the green economy as an opportunity for investments that combine both social and economic returns.

A.2. **GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.** N/A – *no change since PIF.*

The project is aligned with Land Degradation Focal Area Objective 3: *Reduce pressures on natural resources from competing land uses in the wider landscape.* The following activities will contribute towards achieving this objective: i) capacity development; ii) avoiding deforestation and forest degradation – of spekboom; iii) building technical and institutional capacities for SLM; iv) developing innovative financing mechanisms; v) improving agricultural management; and vi) improving integrated watershed management.

The project is also consistent with Objective 5 of the GEF Climate Change (CC) Focal Area Strategy: *Promote conservation and enhancement of carbon stocks through sustainable management of land use, land use change and forestry (LULUCF)*. In particular, the project will contribute to the following outcomes under Objective 5: i) good management practices in LULUCF adopted both within the forest land and in the wider landscape; ii) restoration and enhancement of carbon stocks in forests and non-forest lands, including peatlands; and iii) GHG emissions avoided and carbon sequestered.

### **A.3 The GEF Agency's comparative advantage:**

UNDP has substantial experience supporting projects in South Africa designed to increase ecosystem integrity and resilience. Past and on-going efforts include the CAPE (Action for People and Environment) project, the Agulhas Biodiversity Initiative, and The National Grasslands Programme. UNDP is the lead agency within the United Nations (UN) system helping countries to develop capacity for Ecosystems and Biodiversity Management. With 40 years of transformational work in Ecosystems and Biodiversity management, and building on an established global network of country offices and regional centres, UNDP has been supporting countries to shape and drive natural resources management for sustainable development—driven by national commitments, needs and priorities. More specifically, UNDP works directly with countries to integrate ecosystems management and biodiversity into poverty reduction, development planning and economic sectors through: (a) developing capacity at the individual, institutional and systemic levels to remove barriers to, and identify new options for, effective governance and finance for biodiversity and ecosystem management and (b) assisting countries to identify, access, combine and sequence environmental finance to address the biodiversity and ecosystem financing gap, mobilize pro-poor markets for ecosystem goods and services, and generate sustainable livelihoods. Approximately US\$1.0 million of co-financing from the UNDP's country programme will be provided throughout the duration of the project.

### **A.4. The baseline project and the problem that it seeks to address:**

The problem that the project seeks to address remains unchanged from the PIF – that is to address land degradation in the identified landscapes (Karoo, Olifants and the Eastern Cape). The analysis of the problems that the project is seeking to address is however better explained as outlined in Section 1.3 of the PRODOC (pages 15-22 on the Long Term Solution and Barriers to Achieving the Solution). The project builds on decades and millions of dollars of investments that have been made by the South African government and other partners to address the challenges of land degradation in the country. The existing baseline of interventions have effectively piloted many of the approaches and methodologies that will be refined and applied in the current project with a focus on building capacity and knowledge to apply and better integrated the lessons learnt and best practices for improved decision-making for SLM at all levels of governance (individual farmer, community, extension offers, provincial authorities and national institutions). As described below, South Africa places a high premium on the role of land and the constituent ecosystems in the quest for a green economy. The government invests substantially in environmental and agricultural support programmes. There is a need to align many of these programmes more fully with SLM principles and practices. The proposed GEF project will therefore be a catalyst for change. The total baseline from the government-funded interventions is estimated to be US\$ 63.83 million. A total of US\$ 39,189,790 of this has been committed as co-financing.

**Department of Environmental Affairs Natural Resource Management Programmes** (annual national budget of US\$280,970,750): The DEA oversees a large portfolio of programmes related to SLM through the Natural Resources Management Unit (NRMU). These include the: i) Working for Water Programme (WfW); ii) Subtropical Thicket Restoration Programme; iii) Working for Wetlands Programme; and; iv) the Biodiversity Stewardship Programme.

The WfW programme forms part of government's Expanded Public Works Programme, which draws unemployed people into the productive sector of the economy. The purpose of the WfW programme (annual budget of US\$ 11 million)<sup>5</sup> is to rehabilitate watersheds through the clearing of water-wasting invasive plant species that threaten South Africa's biodiversity, water security, the ecological functioning of natural systems and the productive use of land<sup>6</sup>. Through this programme, numerous jobs have been created, which are targeted at the poorer segments of society throughout the country. The programme works closely with other Government departments including: i) DAFF; ii) the Department of Tourism; iii) the Department of Trade and Industry; iv) various provincial departments of agriculture and environment; v) academic and research institutions; vi) and the private sector.

The WfW Programme champions the protection, rehabilitation and sustainable use of South Africa's wetlands through co-operative governance and partnerships. It also forms part of government's Expanded Public Works Programme.

The DEA initiated the STRP in 2004, building on extensive research – conducted by Rhodes University and Stellenbosch Universities – on the carbon sequestration potential of the Albany Thicket spekboom. The programme aims to provide a financial incentive for the restoration of subtropical thickets while alleviating poverty through the sale of carbon credits.

**DAFF's LandCare Programme** (annual budget of ~US\$14,000,000): Beyond core financing for mandatory programming – e.g., extension and soil conservation technical services – the primary programme relevant to SLM is the LandCare Programme. Launched in 1997, the LandCare Programme is a national community-based and government-supported programme to ensure environmental and ecological sustainability of agriculture. The purpose of the LandCare Programme is to optimise productivity and sustainability of natural resources to result in greater productivity, food security, job creation and a better quality of life for all.

The Provincial Departments of Agriculture allocate funding on an annual basis for the implementation of the LandCare Programme. Examples of efforts include: i) community level work on land rehabilitation; ii) fencing; iii) erosion control; iv) water management; and v) control of invasive alien plants. With this financing, the programme supports farmer awareness training and capacity building, including strengthening of extension support services. In addition, funds are utilised to support Community Based Natural Resources Management Programmes (CBNRM), job creation, and site-specific SLM investments – such as soil erosion, invasive species, and veld management.

The LandCare Programme issues a maximum of US\$12,500 to projects in support of its general objectives. To receive funding groups of farmers – 10–20 farmers per group – are organised into LandCare Committees. The funding received by such groups is relatively small and is generally allocated to communal and emerging farmers based primarily upon upgrading livelihoods.

LandCare projects in the Western Cape Province follow the Area-wide Planning (AwP) approach. AwP recognises that many natural resource issues – such as erosion control, water management and control of invasive alien plants – need to be addressed at a community level, as well as at individual farm level. Therefore, AwP supports CBNRM and promotes partnerships among the communities, private sector and the government for the management of natural resources. The objectives of the programme are supported through a grants programme.

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<sup>5</sup> Data provided from Gamtoos Irrigation Board (albeit incomplete) indicates that at least US\$ 11 million has been spent nationally on the eradication of invasive plants since the program started.

<sup>6</sup> In the Olifants River Catchment, the programme is supporting research to develop a statistically sound monitoring methodology for the comprehensive mapping of major IAP species at national, regional and quaternary catchment scales.

**The Endangered Wildlife Trust's Drylands Conservation Programme: Riparian Ecosystem Restoration Project:** This project was initiated in 2007 and is on-going in the Nama Karoo. The purpose of the project is to restore degraded riparian ecosystems, ecosystem services and connectivity at a landscape level. This is one of the few projects undertaking ecosystem restoration in the Nama-Karoo biome, as opposed to rehabilitation. Activities include mobilising land users within the stewardship framework – in the form of conservancies – to address SLM at grassroots level. The project currently encompasses a core area of ~350,000 hectares. The flagship animal species forming the focus of these efforts is the Critically Endangered Riverine Rabbit, an indicator species for Karoo riparian health. The project collaborates with land users to restore sections of degraded riparian habitats identified as priorities in terms of connectivity and ecosystem resilience. Due to the paucity of ecosystem specific restoration methodologies, a research approach is taken whereby methodologies for riparian restoration are being researched. Based on the research, best practice guidelines will be developed for assimilation by land users and other stakeholders. In order to optimise limited resources of NGOs and government service-providers, collaborations have been forged with the provincial agriculture and conservation departments, as well as academic institutions and the local municipalities. Certain aspects of restoration – such as erosion control – are particularly costly. Therefore, limited funding prohibits broadening the scope of the project.

**Endangered Wildlife Trust's Drylands Conservation Programme: Riverine Rabbit Programme** is based in the town of Loxton in the Northern Cape Province, South Africa. The study area is situated between Victoria West, Loxton and Beaufort West and straddles the boundaries of the Northern and Western Cape. The project is a landscape initiative encompassing ~350,000 hectares of farms that have entered into biodiversity stewardship agreements. These farms include commercial as well as land reform farms. The region supports the habitat upon which the Riverine Rabbit depends.

**Rhodes University** offers internationally and locally acclaimed training courses on: i) wetland rehabilitation and health assessment; ii) community-based natural resource management; iii) land degradation assessment; and iv) urban forestry. The expertise in running these courses and experience in working with poor rural communities in the Eastern Cape Province will enable Rhodes University to offer these short courses to local communities, government and non-governmental officials associated with the project. The courses will assist in developing local human capacity to facilitate SLM and the restoration of degraded areas through the combination of proven scientific knowledge and local ecological knowledge.

In addition, the project is aligned with the following ongoing initiatives within the pilot areas.

The **Land Degradation Assessment (LADA)** is funded by the Food and Agriculture Organisation (FAO) with logistical support provided by DAFF and is being implemented by the ARC. The purpose of the LADA is to obtain a better understanding of land degradation and conservation in South Africa at the magisterial district, regional, provincial and national level. This will inform decision-making towards the implementation of sustainable land management practices countrywide. The information generated by LADA will be used in the design, implementation and monitoring of future sustainable land management projects. An important output of the LADA is the creation of maps indicating future responses towards land degradation as areas where: i) preventative actions are needed, ii) mitigation is required; and/or iii) rehabilitation actions are needed to deal with specific problems. The prioritisation of such areas assists decision-makers focus limited resources on areas where it will have the biggest impact on SLM and food security. The LADA has established baseline degradation methodologies and data that will be utilised during the implementation of the project. Data generated by LADA will be used to engage and facilitate the mainstreaming of the outcomes into existing networks of soil and water experts and stakeholders.

**Living Lands’ Spekboom Restoration:** In 2008, Living Lands commenced a spekboomveld restoration programme. Stakeholders include local communities, researchers and students, as well as government and NGOs. The programme has led to the restoration of 1,800 hectares of spekboomveld on privately owned lands. Objectives of the programme include: i) developing alternative income streams for the people living in the area; and ii) enabling large-scale restoration of hill slopes, wetlands, alluvial fans and other important areas. Living Lands is working with the Four Returns Development Company to establish community-owned enterprises that generate alternative income streams and allow the farmers to manage the land more sustainably. This will enable farmers to remove the livestock – primarily goats – from the degraded hill slopes to allow for restoration. These activities will contribute to the livelihoods of local people and to economic development of the area.

**USAID and Association for Water and Rural Development’s (AWARD) Resilience in the Limpopo Basin (Olifants) programme.** This is a five year programme, which was initiated in 2012. The overarching goal of the project is to reduce vulnerability to climate change through building improved transboundary water and biodiversity governance and management of the Olifants Basin. This will be facilitated by the adoption of science-based strategies that enhance the resilience of its people and ecosystems through systemic and social learning approaches. A grassroots approach has been adopted for: i) understanding the systemic causes of vulnerability, including include climate change vulnerability; and ii) promoting new ways of thinking and acting to support integrated water and biodiversity management.

A. 5. [Incremental /Additional cost reasoning](#): describe the incremental (GEF Trust Fund/NPIF) or additional (LDCF/SCCF) activities requested for GEF/LDCF/SCCF/NPIF financing and the associated [global environmental benefits](#) (GEF Trust Fund) or associated adaptation benefits (LDCF/SCCF) to be delivered by the project:

The UNCCD proposes that a zero net land degradation can be achieved through the adoption of: i) knowledge-based technologies, policies and practices that integrate land, water and biodiversity in land use; and ii) soil and vegetation management practices that enhance primary productivity while creating a positive carbon sequestration. These are the same conditions South Africa proposes as relevant for advancing the green economy. While the large baseline program is addressing various aspects of land degradation, soil and water conservation, none of it is being done within the context of either advancing the zero net land degradation, or the green economy. This is primarily because the resource management models that would facilitate the achievement of the two important concepts are not yet in place, and the institutional, policy and financial incentives needed for the effective formulation and sustainable implementation of the models are not well integrated into management and policy frameworks. Without the GEF intervention, implementation of the baseline programs will continue without linking the important factors of ecosystem functionality, droughts and zero net land degradation to the green economy, making them less effective. The proposed project will build on the impressive baseline to establish the capacity, knowledge and policies required to tweak the baselines to develop and implement models of achieving zero net land degradation in South Africa. Working in three landscapes (Eastern Cape, Karoo and Olifants), the project will forge partnerships across the private sector, academic institutions, farmers, civil society and government, and use the partnerships to develop and test knowledge-based models for rehabilitating currently degraded land and reducing further degradation of land and ecosystem services.

The project will support the innovation of the use of SLM as a mechanism for South Africans to access financing from the private sector or carbon markets. This model will be generated for spekboomveld on grazing lands. However, the carbon market has not realised its economic potential. The present price of carbon – on voluntary and formal markets and the current demand for carbon credits on the world market is negligible. Furthermore, farmers and land users do not readily have access to such markets. Therefore, it is not appropriate to include carbon revenues into financial models of spekboomveld restoration at present. It is anticipated that – because climate change is increasing in severity and the global community is becoming more committed to addressing this problem – an appropriate price for carbon will be determined in the near future. Furthermore, with the introduction of the carbon tax and offsetting in South Africa, it is likely that the generation of carbon

credits will provide an income to farmers in the long-term. This income can then be used to pay the costs of restoration.

One of the challenges facing spekboomveld restoration and the industry is enabling small-scale farmers – who are restoring spekboomveld at the scale of a few hundred hectares – to access the carbon market. At present, this is not feasible because of the costs of validation and verification for VCS and CCBA. A project of several thousand hectares is required to afford/cover these costs, which are likely to exceed more than a million rand for the development of the Project Document and validation thereof. To overcome the financial challenges, small-scale farmers would in all likelihood need to form a consortium, whereby the farmers share the transaction costs of Project Document development, valuation, monitoring of carbon stocks and verification. The establishment of a consortium will reduce transaction costs for small-scale farmers and enable carbon credits to be generated across numerous small parcels of land through a Programme of Activities. If the South African government wants to promote the restoration of spekboomveld via a future carbon market, one option available is to subsidise the formation of such consortiums.

There is great uncertainty in this new industry of restoring spekboomveld using carbon credit revenues. The uncertainty is linked to both the price of carbon, as well as the length of time that it takes for the spekboomveld to mature, which takes up to 30 years after planting. Consequently, income streams from spekboomveld restoration have not yet materialised. It is this uncertainty which is preventing the private sector from investing in spekboomveld restoration. Therefore, government subsidies are likely to be integral to restoring spekboomveld at present.

Therefore, investing in the establishment of institutions for regulating the carbon market will be more beneficial in the long-term than pursuing contracts for carbon storage. Such investments will provide the necessary mechanisms to enable further investment in voluntary carbon storage – when the carbon market recovers.

The proposed alternative scenario in the project document is consistent with that proposed in the PIF. In the project document, this is described in detail (see Section 2.2 of the PRODOC, para 126-130). A brief description of the components, expected outcomes, outputs and indicative activities is provided below.

### **Component 1: Knowledge, skills and institutional capacities to support SLM model development, guide ecosystems and land rehabilitation programmes and increase resilience**

**Outcome 1:** Economically viable, climate-smart land/ecosystem rehabilitation and management practices operationalised across 117,300 hectares of the Karoo, Eastern Cape and Olifants landscapes (with potential for upscaling to cover 417,132 hectares).

**Outcome Indicator:** Area of degraded land under improved SLM practices in three landscapes of the Karoo, Olifants and the Eastern Cape

The outcome will pursue the following outputs:

Output 1.1: Improved land-use and livestock/range management practices implemented in two critical riverine systems in the Karoo.

Output 1.2: Ecologically-viable livestock farming, vegetative cover and range resources management practices adopted in the Eastern Cape.

Output 1.3: Watershed management practices adopted by farmers in the Olifants landscape.

Output 1.4: A strategy for upscaling SLM practices within the Karoo, Eastern Cape and Olifants landscapes.

Output 1.5: A long-term strategy for participatory monitoring and evaluation by stakeholders (including lands users) of the effectiveness of SLM approaches in the Karoo, Eastern Cape and the Olifants landscapes.

**Outcome 2:** Increased knowledge and institutional capacity of DEA, DAFF, DWA, relevant departments and local communities to reduce degradation from livestock and crop production and to restore currently degraded lands through the application of knowledge-based land management practices.

**Outcome Indicator:** Increased capacity of government officials, restoration practitioners and other stakeholders related to SLM practices (*Increased score from 2 to 4 as measured by the UNDP Capacity assessment scorecard*)

The outcome will pursue the following outputs:

Output 2.1: Capacity-building and -development programme for improving SLM knowledge and awareness at local, provincial and national level, including the establishment of multi-stakeholder forums for facilitating a dialogue on SLM and mainstreaming SLM into municipal, provincial and national policy programmes and processes.

Output 2.2: Core staff of technical ministries, regional and local extension support departments and land users in the Nama-Karoo, Thicket and Savanna biomes trained on the use of improved data, tools and methods of ecosystem livelihood and vulnerability assessments as the basis of decision-making on land use within the context of a green economy.

Output 2.3: Structures for coordinated land-use planning and land/ecosystem rehabilitation practices (including operational bodies such as Conservation Committees) between municipal, provincial and national institutions in the Karoo, Eastern Cape and Olifants landscapes established.

Output 2.4: Best practices and lessons learned on SLM in the Karoo, Eastern Cape and Olifants landscapes captured and disseminated nationwide

Output 2.5: A comprehensive GIS-based assessment of socio-ecological resilience to inform ecosystem restoration and SLM in the Karoo, Eastern Cape and Olifants landscapes.

## **Component 2: Financial and policy mechanisms for the adoption of SLM devised and implemented and governance systems support SLM**

**Outcome 3:** Enabling environment for promoting rehabilitation of degraded land through carbon sequestration (including accessing and capitalising on carbon markets and the preparation of MRV documentation) in the Eastern Cape strengthened.

**Outcome Indicator:** Number of hectares of restored spekboomveld in the Baviaanskloof and prepared for access to carbon for finance as evidenced by the number of MoUs signed to form a Baviaanskloof Programme of Activities/Grouped Project and the official endorsement of a simplified methodology for calculation of certified emissions reductions/carbon credits

The outcome will pursue the following outputs:

Output 3.1: Government-approved methodology developed for the generation of carbon credits through restoration of spekboomveld.

Output 3.2: Carbon baseline sampling and assessments undertaken for 3,500 hectares in the Baviaanskloof.

Output 3.3: Project Design Documents for a Baviaanskloof Programme of Activities/Grouped Project prepared and verified.

Output 3.4: 1,000 hectares of degraded spekboomveld restored in the Baviaanskloof to deliver multiple ecosystem benefits including reduced soil erosion, enhanced water infiltration and increased vegetation cover.

**Outcome 4:** Financing and governance frameworks strengthened to support the adoption of SLM approaches.

**Outcome Indicator:** SLM mainstreamed into national and sub-national strategies for development and land-use planning and integrated into public expenditure, agricultural subsidies and land reform incentives

Output 4.1: Comprehensive analysis of SLM options, including financial modelling, investigation of market opportunities, cost-benefits analyses and a public expenditure review undertaken.

Output 4.2: National and sub-national strategies for mainstreaming of SLM into provincial development and municipal land-use planning policies developed.

Output 4.3: Policy recommendations to mainstream SLM objectives into public expenditure, agricultural subsidies and land reform incentives.

Output 4.4: A national platform on SLM, finance and land/ecosystem rehabilitation in place for national dialogue on the role of SLM in the green economy to support the National Coordinating Body for UNCCD to engage more strategically in SLM, finance and land, ecosystem rehabilitation debate.

Through a combination of these outputs and the activities under them, the project is expected to contribute to an overall shift towards land management approaches that promote knowledge-based decision-making at all levels of resource governance and better integration of SLM into planning and financing frameworks of provincial and national institutions.

**A.6 Risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and measures that address these risks:**

While the wording of the project risks have been altered since the original PIF to make them more specific, they remain based on the same underlying principles. These risks are summarised in the table below.

Risk	Risk category	Probability & Impact (1= low; 5 = high)	Risk rating	Risk Mitigation Measure
The project requires support from provincial and municipal level government agencies that often struggle with instability and absorptive capacity constraints	Institutional	P=2 I= 3	Moderate	The project is designed to: i) incrementally build necessary capacity; ii) be compatible with the absorptive capacity of local government; and iii) generate national support that will result in necessary funding allocations. Project interventions are designed to proceed in spite of political and/or management changes. This will include expanding partnerships with non-government agencies, private enterprises and local government. Local government agencies' capacity will be enhanced by creating a broader consortium of support.
The Government of South Africa may fail to provide financing and human resource capacity support for the continuation of successful	Institutional	P=2 I=4	Moderate	The Government of South Africa experiences budget reductions on all levels. This may impact the long-term sustainability of the project. However, the cumulative annual investment by government to agencies responsible for water, environment and agriculture is estimated at ~US\$ 3 billion. Although the amount invested in addressing land degradation is relatively low, the government recognises the importance of SLM to achieving green economy objectives. The probability that investment will drop below the level required to carry-forward and expand successful project

Risk	Risk category	Probability & Impact (1= low; 5 = high)	Risk rating	Risk Mitigation Measure
project interventions.				interventions is minimal. The project is designed specifically to increase the cost-effectiveness, efficiency, and strategic alignment of government investments. The annual total costs represented by project interventions will be relatively low and within the government's absorptive capacity. In addition, the project has integrated strategies – into all outputs – to facilitate the hand-over of project results to the Government, including capacity building. The project may also face challenges with aligning disparate government programmes under a more coherent SLM approach. However, during project design all main government agencies expressed an interest and urgency to address these challenges so that their spending and support for SLM is strengthened.
The multisectoral approach adopted by the project is ineffective because of limited coordination between stakeholders at the local and provincial level. There is also a risk of conflicts between different stakeholder groups.	Institutional	P=2 I=3	Moderate	Regulatory authorities and user groups may have conflicting expectations. However, the project is designed to strengthen coordinated approaches across landscapes based upon inclusive capacity building approaches. Coordinated mechanisms will resolve potential conflicts and enable integrated and cooperative planning and governance. The project will minimise conflicts by initiating and sustaining dialogue between stakeholders at all levels through the creation of forums and platforms for discussion and conflict resolution.
Many CBNRM type initiatives have failed to deliver expected economic benefits to participating communities.	Institutional	P=2 I=3	Moderate	The PIF noted the high level of scepticism regarding the returns on investing in improved practices. This may be of relevance where CBNRM is used as a tool to solve all problems. Where CBNRM is applied – on communal lands – the principle will be used to shift current open access grazing regimes to more community-based management that will improve the overall rangeland conditions over time. It may be challenging to work with local stakeholders to convince them of the efficacy of arranging management under a community-based regime. However, rangeland management is arguably one scenario in which CBNRM will have the most positive effect both internationally and across southern Africa. The potential benefits to be brought about by better alignment of agricultural subsidies and land reform incentives will be promoted as an incentive for

Risk	Risk category	Probability & Impact (1= low; 5 = high)	Risk rating	Risk Mitigation Measure
				participating in SLM. In the long term, rehabilitated and restored ecosystems provide more sustainable, long term benefits to land users.
Large-scale development (e.g., fracking, hydro, etc.) and major land tenure changes could destabilise project impact.	Institutional	P=2 I=3	Moderate	There are factions within South Africa that are insistent upon the development of the energy sector and other land uses that may be incompatible with SLM. However, these challenges will likely not impact the ability of the project to be fully implemented. The project is designed to create a much stronger platform of best SLM practices, improved financing, and improved governance that will enable stakeholders to better address emerging challenges. The project will help the government of South Africa, land users, and other decision-makers have access to improved tools, practices, and knowledge so that they are better equipped to make informed decisions regarding the potential impacts to long-term SLM objectives.
Climate change will increase the probability of failure of project activities.	Environmental	P=2 I=2	Low	Unpredictable weather patterns could influence long-term effectiveness of the project initiatives. However, this impact is gauged to be marginal during the project implementation period. The project is designed specifically to implement SLM across three different landscapes. A substantial part of this effort will be to build climate change resilience, enhance capacity to monitor for climate change trends/impacts, and establish mechanisms so that farmers, government agencies and other stakeholders are better equipped to address climate change in the future.

#### A.7. Coordination with other relevant GEF financed initiatives.

The project will participate in the GEF-funded “Sustainable Land Management and Climate Change Mitigation Co-benefits” initiative, implemented by UNEP (hereafter referred to as “the UNEP project”). The UNEP project will collaborate with five GEF projects – including this project – to share lessons learned on modelling and monitoring of long-term carbon co-benefits generated by SLM projects. Representatives from participating projects will participate in international training workshops to be convened by the UNEP project. This training will build capacity for the implementation of carbon reporting strategies based on the tools developed by the UNEP project for assessments of mitigation benefits. Over three years, training will be provided on: i) modelling carbon sequestration; ii) assembling and analysing baseline data on land use/management (termed 'Initial Land Use' in the UNEP project); iii) developing baseline and project scenarios for specific reporting periods iv) conducting field sampling activities to develop project-specific stock change and emission factors. At the same time, this project will contribute lessons learned on SLM practices such as the use of WOCAT tools.

The following GEF projects are also operational within South Africa. The project will coordinate closely with these initiatives during implementation to ensure complementarity between activities and sharing of lessons learned.

Project Title	Agency	GEF Investment (US\$)	Brief Project Description
Mainstreaming Biodiversity into Land Use Regulation and Management at the Municipal Scale	UNDP	8,177,730	Biodiversity Project objective: To mitigate multiple threats to biodiversity by increasing the capabilities of authorities and land owners to regulate land use and manage priority biodiversity at the municipal scale. Outputs: <ul style="list-style-type: none"> <li>• Policies and regulatory frameworks for production sectors</li> <li>• National and sub-national land-use plans that incorporate biodiversity and ecosystem services valuation</li> <li>• Certified production landscapes and seascapes.</li> </ul>
National Biodiversity Planning to Support the Implementation of the CBD 2011-2020 Strategic Plan in South Africa	UNDP	220,000	Biodiversity Project objective: This Biodiversity Enabling Activity for South Africa assists DEAT in developing a National Biodiversity Strategy and Action Plan (BSAP). The BSAP will build on and reinforce other existing national policies, particularly the White Paper on the Conservation and Sustainable use of South Africa's Biological Diversity (1997) setting out the National Biodiversity Policy. The project adds to previous support allowing South Africa to participate in the Clearing House Mechanism of CBD, and in assisting the preparation of the first country Report to the Conference of Parties (COP).
Enabling South Africa to Prepare Its Third National Communication (3NC) and Biennial Update Report to the UNFCCC	UNEP	4,006,650	Climate Change Project objective: To prepare the Third National Communication (TNC) and first Biennial Update Report (BUR) of South Africa to enable the country fulfil its obligations under the UNFCCC, in accordance with Articles 4.1 and 12.1 of the Convention while strengthening its capacity to integrate climate change concerns into national and sectoral development plans and priorities through the implementation of the national climate change response strategy (NCCRS).
National Grasslands Biodiversity Programme	UNDP	8,300,000	Biodiversity Project objective: To mainstream biodiversity management objectives into the practices of the production sectors that provide the stimulus for land use changes that threaten biodiversity. Outcomes: <ul style="list-style-type: none"> <li>• Enabling environment for biodiversity conservation in production landscapes is strengthened</li> <li>• Grassland biodiversity conservation objectives mainstreamed into agriculture</li> <li>• The forestry sector directly contributes to biodiversity conservation objectives in the grasslands biome</li> <li>• Grassland biodiversity management objectives mainstreamed into urban economy in Gauteng</li> <li>• Biodiversity management secured in coal mining sector</li> </ul>
Greater Addo Elephant National Park Project	World Bank	5,500,000	Biodiversity Project objective: The proposed project is aimed at improving the conservation of biodiversity in the Greater Addo National Park. The project would specifically support activities to: i) identify and protect areas of unique biodiversity under threat; ii)

			identify the minimum area required to maintain ecological patterns and processes; iii) reduce critical threats facing the park; iv) develop and implement a conservation plan; v) promote sustainable ecotourism; and vi) promote capacity building in local communities to develop environmentally acceptable economic activities.
Improving Management Effectiveness of the Protected Area Network	UNDP	8,550,000	Biodiversity Project objectives: The Biodiversity of South Africa is protected from existing and emerging threats through the development of a financially sustainable, effective and representative national protected area network and improved land use practices in buffers around parks with a focus on community benefits and partnerships Outputs: <ul style="list-style-type: none"> <li>• Establishment of new protected areas</li> <li>• Improved PA management effectiveness delivers enhanced protection</li> <li>• PA Expansion costs per hectare reduced by 60% by introducing partnerships for PA management and reducing direct purchase of state and other land for protected area expansion</li> </ul>
Strengthening Law Enforcement Capabilities to Combat Wildlife Crime for Conservation and Sustainable Use of Species in South Africa	UNEP	2,690,455	Biodiversity Project objective: To improve the effectiveness of efforts to combat wildlife crime in South Africa's Protected Area system, focused on rhinoceros through improved forensic technologies and capacity, strengthened data gathering, sharing and analysis systems at national level, and enhanced cooperation structures and mechanisms at international level to support law enforcement efforts along the whole trafficking chain.
Conservation of Globally Significant Biodiversity in Agricultural Landscapes through Conservation Farming (Medium-sized project)	World Bank	750,000	Biodiversity Project objective: The objective of the project is to i) identify and evaluate the ecological costs and benefits of different farming practices and management strategies; ii) develop and compare ecological economic models for farming strategies; and iii) evaluate the role of conservation farming as part of national and regional strategies to conserve biological diversity.
Development and Implementation of the National Biodiversity Strategy and Action Plan (BSAP) in South Africa (Enabling project)	UNDP	409,200	Biodiversity Project objective: To integrate South Africa's obligations under the Convention on Biological Diversity (CBD) into its national spatial, development and sectoral planning frameworks through a renewed and participative biodiversity planning and strategizing process, in a manner that is in line with the global guidance contained in the CBDs Strategic Plan for 2011-2020.

## **B. ADDITIONAL INFORMATION NOT ADDRESSED AT PIF STAGE:**

### **B.1 Describe how the stakeholders will be engaged in project implementation.**

The project will rely upon various tools to make certain stakeholders are properly engaged. The Project Board (PB) will be responsible for ensuring that a broad range of national stakeholders are aware of and actively involved in project interventions. This includes regular reporting by project management and technical staff regarding the status of project implementation activities and updates regarding challenges, opportunities, and lessons learned. National engagement will be further facilitated through project

activities such as training programmes and other capacity-building efforts designed to incorporate representation from a variety of stakeholders and stakeholder organisations.

Work conducted during project preparation is illustrative of the types of stakeholder engagement that will be continued during implementation. For instance, the Karoo project team undertook extensive communications with stakeholders including farmers, NGOs<sup>7</sup>, and government departments<sup>8</sup> about the structure, activities and roles within the project. Furthermore, EWT held two workshops in 2012 and 2013 with 33 farmers representing four Conservancies – in the core project area in the Northern and Western Cape measuring 350 000 hectares – with DENC, CapeNature and LandCare representatives in attendance. The purpose of these workshops was to assess priorities and plan the way forward in terms of sustainable land management within the conservancies. In addition, a strategic research planning workshop was held in 2013 by the EWT-Drylands Conservation Programme – that is spearheading the Karoo work. The two leading experts on Karoo ecology and botany collaborated with three staff members from the EWT programme to discuss the research goals, aims and targets required for the development of the project. DAFF’s Research Scientist and LandCare’s Chief Technician also visited the core areas of the project in 2013 and advised on a research strategy and technical aspects of the project. And will continue to do so. In October 2014, a consultative workshop was held – which was attended by ~30 farmers within the conservancies and representatives from DAFF and LandCare – to further elucidate the roles and objectives of the project.

There are several development and conservation investments that share objectives with the proposed project. A number of approaches will be utilised to make certain that the project is identifying opportunities and fully engaging with related investments from inception to completion. As part of the stakeholder engagement plan, it will be incumbent upon the PB and Project Management Unit (PMU) to make certain these opportunities are maximised. As noted in the Monitoring and Evaluation Framework, government and donor partner stakeholders will be invited to participate in a round-table discussion at the start of the project. Furthermore, participants will be invited to work cooperatively to seek out ways to make certain that implementation is mutually beneficial and synergistic with the existing and emerging investment environment. This will include identifying points of common interest and pathways for implemented activities to obtain maximum leverage thereby amplifying their impacts.

As noted in Outcome 2, government and stakeholder partners will be convened annually during project implementation and invited to share updates regarding progress and lessons learned. These stakeholders will also be provided with regular electronic updates, including progress reports and results from on-going and completed activities. This will be achieved through the enhanced knowledge base. During project implementation, the project implementation team will be mandated to constantly seek out ways to improve and augment engagement with relevant conservation investments. The DEA, DAFF, and UNDP/South Africa offices will support this effort.

**Stakeholder Involvement Plan**

<b>Key stakeholders</b>	<b>Role in project</b>
Department of Environmental Affairs	Overall lead agency.
Department of Agriculture, Forestry and Fisheries	Key implementation partner for Component 1 and Component 2. DAFF will assist with the identification and implementation of SLM practices.
Provincial agricultural	The provincial agriculture departments will play key roles for both

<sup>7</sup> Conservation South Africa, CapeNature, Greater Cederberg Biodiversity Corridor and Environmental Monitoring Group.  
<sup>8</sup> Department of Environment and Nature Conservation, Northern Cape and Western Cape Departments of Agriculture, as well as Landcare, Western Cape.  
 GEF5 CEO Endorsement Template-February 2013.doc

departments	Components. The provincial departments will assist with the implementation of SLM practices and training and awareness raising activities.
Provincial conservation departments	The provincial conservation departments will play key roles for both Components. The provincial departments will assist with biodiversity stewardship agreements and training and awareness raising activities.
District and local municipalities	The district and local municipalities will play key roles for both Components. They will provide technical support for the integration of SLM practices into development plans and policies, as well as municipal land-use planning.
Endangered Wildlife Trust	Key implementing partner for Output 1.1. EWT will also play a key role in assisting with training and awareness campaigns at the Karoo site under Outcome 2. EWT is the only organisation which has both proven capacity to support community-based natural resource management work and a significant presence on the ground in the Karoo project site.
Rhodes University	Key implementing partner for Output 1.2 and Outcome 3. Rhodes university will also play a key role in assisting with training and awareness campaigns at the Eastern Cape sites under Outcome 2.
Council for Scientific and Industrial Research	Key implementing partner for Output 1.3 and Output 2.6. CSIR will also play a key role in assisting with training and awareness campaigns at the Olifants site under Outcome 2.
Local NGOs, CBOs and local user groups	Local organisations such as Soil Conservation Committees, LandCare Committees, Water User Associations, Village Resource Management Committees, Farmer Associations and Farmer Study Groups will play key roles in community involvement and participation. Cooperation on design and implementation and possible sub-contracting for various activities.
Agricultural Research Council	Key implementing partner for Output 1.3 and for sharing of information and lessons learned from other SLM initiatives. The ARC will also play a key role in assisting with training and awareness campaigns at the Olifants pilot site under Outcome 2.
Living Lands	Key implementing partner for Outcome 3 and will play a key role in assisting with training and awareness campaigns at the Baviaanskloof site under Outcome 2.
WWF SA	Key implementing partner for Outcome 3.

**B.2 Describe the socioeconomic benefits to be delivered by the Project at the national and local levels, including consideration of gender dimensions, and how these will support the achievement of global environment benefits (GEF Trust Fund/NPIF) or adaptation benefits (LDCF/SCCF):**

The project will address the problems of land degradation, poverty and vulnerability of communities in the Karoo. Eastern Cape and Olifants landscapes. The SLM interventions will directly contribute to MDG 7 – ensuring environmental sustainability. Because local communities depend on natural resources for their livelihoods, improved environmental management will reduce poverty and increase food security, thereby contributing to attaining MDG 1 – eradicate extreme poverty and hunger – as well as other MDGs that are closely linked to the natural resource base. Additionally, training farmers, land users and local communities in SLM practices and the sustainable use of natural resources will increase their resilience to climate shocks. In addition, such activities will improve their livelihoods by diversifying their income-

generating opportunities. The project will therefore contribute to reducing poverty in the Karoo, Eastern Cape and Olifants landscapes.

Without the project, local communities and the ecosystems upon which they depend will be increasingly at risk from the effects of land degradation and climate change. As a result, progress towards ecosystem rehabilitation (and restoration), as well as socio-economic development is likely to be hampered. The project will provide practical tools, practices and capacities for an SLM programme that promotes natural resources management by farmers, land users and communities. Stakeholders will be trained to implement: i) SLM practices; ii) conservation agriculture practices such as no/low tillage and alternating cropping patterns; iii) agroforestry practices that are climate-resilient; iv) shifting open-access grazing regimes to more sustainable community-based models; and v) small-scale physical interventions to rehabilitate degraded watersheds. This will be done through practical demonstrations in the Karoo, Eastern Cape and Olifants pilot areas. The purpose of these demonstrations will be to improve the maintenance and enhancement of ecosystem functioning, integrity and resilience.

The identified SLM practices will increase vegetation cover, water infiltration and baseflow of rivers, thereby increasing the ability of the landscape to regulate water flow during droughts and floods. As a result, the project will increase ecological protection from climate-change induced droughts and floods. Increased hectares under SLM practices will demonstrate improved yields in ecosystem service provisioning, climate change resilience and improved livelihoods.

Each of the pilot sites will focus upon a unique set of interventions. At the Karoo site, work will focus upon rangeland management and production improvements. This will include land rehabilitation for the Riverine Rabbit, removing barriers leading to land degradation in the landscape, research and innovation around SLM, research around fracking impacts and the expansion of ecosystem stewardship programmes. This work will facilitate increased participation of communities, in particular local small-holder farmers, as well as commercial farmers, in ecosystem rehabilitation. Work at the Eastern Cape site will focus on reforestation, SLM, climate-smart agriculture and grazing land management, as well as carbon credits and financing mechanisms. The work on spekboom restoration and facilitation of access to carbon finance markets will mostly benefit commercial farmers by supporting them to be able to participate in the carbon market once the government rolls this out. Emerging and communal farmers will benefit from improved extension work that the project will support, particularly in the Machubeni communal farming areas. The Olifants work will promote community-based water/land resources management modelling, conservation agriculture and small-scale physical interventions to reduce the impacts of droughts/flooding and siltation in dams.

The project will create an enabling environment and facilitate access to carbon markets as an incentive for ecosystem restoration and the adoption of SLM practices. A particular focus will be placed upon the Baviaanskloof watershed, where activities will be implemented to: i) restore degraded spekboomveld; ii) sequester carbon; iii) assist in the protection of globally significant biodiversity; iv) establish alternative livelihood opportunities for farmers and land users; and v) establish a replicable model for similar models nationally. These activities will be designed to specifically address the existing capacity and incentive barriers and provide technical support to help farmers meet the stringent requirements of global and/or local carbon markets. Furthermore, it will catalyse implementation of carbon market programming that will potentially cover 9,000 hectares of currently degraded spekboomveld. Lessons learned will be captured through project activities, including the best practices manual, monitoring tool, knowledge base and the relevant financial and governance recommendations developed under Outcomes 2 and 4.

At a local level, the project will directly contribute to reducing the socio-economic vulnerability of local communities to the adverse effects of land degradation on a sub-national level. A variety of site-specific activities and SLM practices will be implemented to reduce the vulnerability of rangelands and riparian

areas, simultaneously restoring these areas within the Karoo, Eastern Cape and Olifants landscapes, which are particularly prone to soil erosion and degradation.

The immediate benefits of the project will be that government institutions, NGOs, farmers, land users and vulnerable communities have increased adaptive capacity as they: i) are more aware of the linkages between land use practices, ecosystem management and climate resilience; and ii) acquire the necessary skills to apply adaptive approaches. This increased capacity will also support long-term benefits by promoting SLM beyond the life-span of the project.

South Africa does not have an approved gender policy. However, the Constitution of the Republic of South Africa includes an obligation to ensure that “everyone is equal before the law and has the right to equal protection and benefit of the law”. In addition, South Africa is a signatory to various international and regional instruments that seek to achieve gender equality with special emphasis on women empowerment<sup>9</sup>.

More than 60% of women in rural areas are unemployed. Those with work generally have a low level of income. In some project areas, women lead a majority of households. The project will make certain that SLM promotes gender equity, including women in the safeguarding of resources into the future. Labour will consistently be sourced locally and in-service training to develop the relevant skills provided. Employment opportunities and skills development will therefore take place in poor rural communities, where there are few other socio-economic up-liftment opportunities.

The project’s activities will contribute to women’s financial independence. For instance, many of the restoration activities are well suited to employing women. Therefore, women in the local communities are empowered through training and skills development, which in turn results in improved social capital.

The project will therefore pursue a deliberate gender-sensitive approach whereby women’s participation in training workshops, on-the-ground interventions, multi-stakeholder forums and land user groups will be strongly promoted. The extension programmes implemented through the project will have components designed especially for women. The project’s monitoring activities will be disaggregated by gender. This will result in benefits accruing to women-headed households. In addition, women-led economic and subsistence issues will form part of the project’s overall monitoring framework. During project inception, the management and decision-making frameworks will make certain that gender issues are incorporated.

### **B.3. Explain how cost-effectiveness is reflected in the project design:**

During project design, several potential suites of intervention options were considered for inclusion in the project design and assessed to determine their cost-effectiveness. For example, some stakeholders suggested that physical interventions such as large dams may be included in the project design. However, building these structures is costly and their effectiveness at enhancing ecosystem integrity is doubtful. In spite of efforts conducted during the project design phase, there is still no firm knowledge platform upon which to base decision-making. Rigorous data does not exist showing the full status of land degradation and the precise causes of potential degradation. Without this information, there is no way of accurately predicting whether these investments would generate positive impacts. In addition, rigorous SLM monitoring tools are not in place to determine the positive and negative effects of infrastructure investments once they are made.

These issues were deliberated extensively during the project design process. After carefully considering conservation priorities, stakeholders abandoned these costly options and decided on an approach that is

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<sup>9</sup> These include the SADC Protocol on Gender and Development, SADC’s Gender Plan of Action, the African Gender Policy and the Beijing Platform of Action, amongst others.

designed to incrementally build the capacity required to make more informed decisions. This includes providing a small amount of capital – at the outset – to upscale and improve concepts that will most likely meet with success. A comprehensive capacity building and monitoring programme will support the investments into on-the-ground interventions by ensuring that there is sufficient technical skills and expertise in government institutions and amongst land users to sustain the implementation and monitoring of SLM practices. The initial project investments will also build the framework necessary to make informed decisions. Furthermore, the project will support the generation of information that stakeholders require to understand resource trends and prioritise interventions. The project will simultaneously enhance the capacity of extension officers and other stakeholders to effectively support implementation of improved monitoring and oversight functions, as well as the demonstration of best practices related to ecosystem integrity and land degradation.

The project will build an enabling framework, starting with a sustainable SLM financing strategy. Larger scale investments in the demonstration of improved management approaches will occur only after the awareness, monitoring and decision-making frameworks are in place. Therefore demonstrations will be informed by and targeted to address the challenges identified. In this way, demonstrations will respond more accurately to the needs of stakeholders with improved knowledge regarding best international practices. Demonstration investments nested within an improved enabling environment will be better poised to be ecologically, socially, and financially sustainable.

On a broader level, project investments at all three pilot areas will be collated to create capacity and decision-making pathways that enable government and stakeholders to make conservation oriented investments rather than unsustainable short-term investments. This framework for informed decision-making will deliver returns well beyond the initial investment period.

By implementing similar programmes with nuanced differences at three unique locations, the project will achieve a higher economy of scale. In addition, the project will be relying upon the implementation support of key organisations – including EWT, Rhodes University and CSIR – each with a proven track record of professional SLM knowledge. These organisations will backstop government agencies by bringing different skill sets and tools. For example, EWT specialises in biodiversity conservation and ecosystem restoration based upon inclusive community participation. Moreover, Rhodes University has extensive experience with climate change and rural community mobilisation, whilst CSIR is a leader in integrated water resources management. This approach is therefore very cost-effective.

The project is designed to demonstrate improved understanding, decision-making and results-oriented management practices at distinct locations. At the outset, the project will set in place the institutional and policy enabling environment required to capture best practices and replicate these practices nationally. Furthermore, the project's pilot sites will be centres of excellence, offering models for other parts of South Africa to follow. The monitoring, planning, regulatory and demonstration activities at each pilot site will be designed so that they can be easily uplifted, transferred, and replicated. National institutions, including those responsible for agriculture and environment, will have extension programmes in place to facilitate this transfer of success at a reduced cost. Therefore, the heavy investment costs of supplying technical expertise and capacity building will be carried upfront. Investments made over the project's lifespan will not only catalyse a substantial change at the pilot site level, but those improvements will also be amplified post-project to cover a larger geographic area. Ultimately, the same best practices will be modified, adopted and mainstreamed nationally. This will support national level ecosystem integrity and SLM.

### **C. DESCRIBE THE BUDGETED M & E PLAN:**

The project will be monitored through the following M&E activities. The M& E budget is provided in the table below.

*Project start:* A Project Inception Workshop will be held within the first 3 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and program advisors as well as other relevant stakeholders. The participation of technical experts responsible for supporting project design will be critical to inception workshop success. These experts will help make certain that bridging between project design and implementation is seamless. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

*The Inception Workshop will address a number of key issues including:* (a) Assist all partners to fully understand and take ownership of the project; (b) Detail the roles, support services and complementary responsibilities of staff vis à vis the project team; (c) Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms; (d) Discuss the Terms of Reference for project staff as needed; (e) Finalize the first annual work plan based on the project results framework and the relevant GEF Tracking Tool if appropriate; (f) Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks; (g) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements and agree on schedule the M&E work plan and budget; (h) Discuss financial reporting procedures and obligations, and arrangements for annual audit; and (i) Plan and schedule Project Board meetings And clarify roles and responsibilities of all project organization structures. The first Project Board meeting should be held within the first 2 months following the inception workshop.

An Inception Workshop Report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

*Project Implementation Work Plan:* Immediately following the inception workshop, the project will be tasked with generating a strategic work plan. The work plan will outline the general timeframe for completion of key project outputs and achievement of outcomes. The work plan will map and help guide project activity from inception to completion. To ensure smooth transition between project design and inception, the inception workshop and work planning process will benefit from the input of parties responsible for the design of the original project, including, as appropriate, relevant technical advisors.

*Quarterly:* Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform. Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high. Note that for UNDP GEF projects, all financial risks associated with financial instruments such as revolving funds, microfinance schemes, or capitalization of ESCOs are automatically classified as critical on the basis of their innovative nature (high impact and uncertainty due to no previous experience justifies classification as critical). Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot. Other ATLAS logs can be used to monitor issues, lessons learned etc. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

*Annually (Annual Project Review/Project Implementation Reports (APR/PIR)):* This key report is prepared to monitor progress made since project start and in particular for the previous reporting period (30 June to 1 July). The APR/PIR combines both UNDP and GEF reporting requirements.

The APR/PIR includes, but is not limited to, reporting on the following: (a) Progress made toward project objective and project outcomes – each with indicators, baseline data and end-of-project targets

(cumulative); (b) Project outputs delivered per project outcome (annual); (c) Lesson learned/good practice; (d) AWP and other expenditure reports; (e) Risk and adaptive management; (f) ATLAS QPR; (g) Portfolio level indicators (i.e. GEF focal area tracking tools) are used by most focal areas on an annual basis as well.

*Periodic Monitoring through site visits:* UNDP CO and the UNDP RCU will conduct visits to project sites based on the agreed schedule in the project's Inception Report/Annual Work Plan to assess first hand project progress. Other members of the Project Board may also join these visits. A Field Visit Report/BTOR will be prepared by the CO and UNDP RCU and will be circulated no more than one month after the visit to the project team and Project Board members.

*Mid-term of project cycle:* The project will undergo an independent Mid-Term Evaluation during mid-point of project implementation (project months 34 - 36). The Mid-Term Evaluation will determine progress being made toward the achievement of outcomes and will identify course correction if needed. It will focus on the effectiveness, efficiency and timeliness of project implementation; will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management. Findings of this review will be incorporated as recommendations for enhanced implementation during the final half of the project's term. The organization and terms of reference of the mid-term evaluation will be decided after consultation between the parties to the project document. The Terms of Reference for this Mid-term evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF. This independent expert will be recruited at least six months prior to the planned commencement of the mid-term evaluation. The management response and the evaluation will be uploaded to UNDP corporate systems, in particular the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#). The relevant GEF Focal Area Tracking Tools will also be completed during the mid-term evaluation cycle.

*End of Project:* An independent Final Evaluation will take place three months prior to the final Project Board meeting and will be undertaken in accordance with UNDP and GEF guidance. The final evaluation will focus on the delivery of the project's results as initially planned (and as corrected after the mid-term evaluation, if any such correction took place). The final evaluation will look at impact and sustainability of results, including the contribution to capacity development and the achievement of global environmental benefits/goals. The Terms of Reference for this evaluation will be prepared by the UNDP CO based on guidance from the Regional Coordinating Unit and UNDP-GEF.

The Terminal Evaluation should also provide recommendations for follow-up activities and requires a management response which should be uploaded to PIMS and to the [UNDP Evaluation Office Evaluation Resource Center \(ERC\)](#). The relevant GEF Focal Area Tracking Tools will also be completed during the final evaluation.

During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project's results.

*Learning and knowledge sharing:* Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyse, and share lessons learned that might be beneficial in the design and implementation of similar

future projects. Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

### M& E workplan and budget

Type of M&E activity	Responsible Parties	Budget US\$ <i>Excluding project team staff time</i>	Time frame
Inception Workshop and Report	<ul style="list-style-type: none"> <li>▪ Project Manager</li> <li>▪ UNDP CO, UNDP CCA</li> </ul>	Indicative cost: \$10,000	Within first two months of project start up
Measurement of Means of Verification of project results.	<ul style="list-style-type: none"> <li>▪ UNDP CCA RTA/Project Manager will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members.</li> </ul>	To be finalised in Inception Phase and Workshop.	Start, mid and end of project (during evaluation cycle) and annually when required.
Measurement of Means of Verification for Project Progress on <i>output and implementation</i>	<ul style="list-style-type: none"> <li>▪ Oversight by Project Manager</li> <li>▪ Project team</li> </ul>	To be determined as part of the Annual Work Plan's preparation.	Annually prior to ARR/PIR and to the definition of annual work plans
ARR/PIR	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> <li>▪ UNDP RTA</li> <li>▪ UNDP EEG</li> </ul>	None	Annually
Periodic status/ progress reports	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> </ul>	None	Quarterly
Mid-term Evaluation	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> <li>▪ UNDP RCU</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost: \$40,000	At the mid-point of project implementation.
Final Evaluation	<ul style="list-style-type: none"> <li>▪ Project manager and team,</li> <li>▪ UNDP CO</li> <li>▪ UNDP RCU</li> <li>▪ External Consultants (i.e. evaluation team)</li> </ul>	Indicative cost : \$40,000	At least three months before the end of project implementation
Project Terminal Report	<ul style="list-style-type: none"> <li>▪ Project manager and team</li> <li>▪ UNDP CO</li> <li>▪ local consultant</li> </ul>	\$5,000	At least three months before the end of the project
Audit	<ul style="list-style-type: none"> <li>▪ UNDP CO</li> <li>▪ Project manager and</li> </ul>	Indicative cost: \$9,000	Yearly

	team		
Visits to field sites	<ul style="list-style-type: none"> <li>▪ UNDP CO</li> <li>▪ UNDP RCU (as appropriate)</li> <li>▪ Government representatives</li> </ul>	For GEF supported projects, paid from IA fees and operational budget	Yearly
<b>TOTAL indicative COST</b> <b>Excluding project team staff time and UNDP staff and travel expenses</b>		<b>US\$ 104,000</b> <b>(+/- 2.5% of total budget)</b>	

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**

- A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT(S) ON BEHALF OF THE GOVERNMENT(S):** :  
(Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this form. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
<b>Mr. Zaher Fakir</b>	CHIEF DIRECTOR: INTERNATIONAL GOVERNANCE AND RELATIONS AND GEF OPERATIONAL FOCAL POINT	DEPARTMENT OF ENVIRONMENTAL AFFAIRS	03 MARCH 2013

**B. GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for CEO endorsement/approval of project.

Agency Coordinator, Agency Name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Adriana Dinu UNDP-GEF Executive Coordinator		12 May 2015	Phemo K. Kgomotso	+251 91 250 3309	phemo.kgomotso@undp.org

**ANNEX A: PROJECT RESULTS FRAMEWORK** (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

<b>This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD:</b> Increase in the number of sustainable 'green jobs' created in the economy					
<b>Country Programme Outcome Indicators:</b> Number of green jobs created in all sectors of the economy					
<b>UNDP Strategic Plan</b> Outcome: Integrated Results and Resources Framework: Growth and development are inclusive and sustainable, incorporating productive capacities that create employment and livelihoods for the poor and excluded.					
<b>UNDP Strategic Plan: Integrated Results and Resources Framework:</b> Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste					
<b>GEF Strategic Objective and Program:</b> Land Degradation Objective 3: Reduce pressures on natural resources by managing competing land uses in broader landscapes; Program 4: Scaling-up sustainable land management through the Landscape Approach					
<b>GEF Expected Outcome 3.1:</b> Enhanced cross-sector enabling environment for integrated landscape management					
<b>GEF Outcome Indicator 3.1:</b> Policies support integration of agriculture, rangeland, forest, and other land uses					
	<b>Indicator</b>	<b>Baseline</b>	<b>Targets End of Project</b>	<b>Source of verification</b>	<b>Risks/Assumptions</b>
<b>Project Objective</b> To strengthen the enabling environment for the adoption of knowledge-based SLM models for land management and land/ecosystem rehabilitation in support of the green economy and resilient livelihoods through capacity building, improved governance and financial incentives demonstrated in the Karoo, Eastern Cape and Olifants	Capacity strengthening to enhance cross-sector enabling environment	Score: 2 (some initial awareness has been raised on SLM models for land management and land/ecosystem rehabilitation)	Score: 4 (knowledge has been effectively transferred through workshops, multi-stakeholder dialogue, a national platform on SLM, a capacity-building and development programme and practical implementation of SLM practices across three landscapes)	Regular assessments of project participants, including land users, project partners, government officials and ecosystem restoration practitioners.	The project requires support from provincial and municipal level government agencies that often struggle with instability and absorptive capacity constraints.
<b>Outcome 1</b> Economically	Area of degraded land under	- Karoo: 500,000 hectares of	- Karoo: At least 100,000 hectares under SLM practices	Regular reports from project	The Government of South Africa may fail to provide financing and

<p>viable, climate-smart land/ecosystem rehabilitation and management practices operationalised across 117,300 hectares of the Karoo, Eastern Cape and Olifants landscapes (with potential for upscaling to cover 417,132 hectares)</p>	<p>improved SLM practices in three landscapes</p>	<p>degraded land</p> <ul style="list-style-type: none"> <li>- Olifants: 41,300 hectares of degraded land</li> <li>- Eastern Cape: 11,733 hectares of degraded land</li> </ul>	<ul style="list-style-type: none"> <li>- Olifants: 16,000 hectares under SLM practices</li> <li>- Eastern Cape: 1,300 ha under SLM practices</li> </ul>	<p>proponents, periodic site visits, interviews with land users</p>	<p>human resource capacity support for the continuation of successful project interventions.</p> <p>Many CBNRM type initiatives have failed to deliver expected economic benefits to participating communities.</p> <p>Large-scale development (e.g., fracking, hydro, etc.) and major land tenure changes could destabilise project impact.</p> <p>Climate change will increase the probability of failure of project activities.</p>
<p><b>Outcome 2</b> Increased knowledge and institutional capacity of DEA, DAFF, DWA, relevant departments and local communities to reduce degradation from livestock and crop production and to restore currently degraded lands through the application of knowledge-based land management practices</p>	<p>Increased capacity of government officials, restoration practitioners and other stakeholders related to SLM practices as measured by capacity assessment scorecard</p>	<p>Score: 2 (there is some capacity for design and implementation of SLM practices, but this is nascent)</p>	<p>Score: at least 4 (there is widespread but not comprehensive capacity for design and implementation of SLM practices)</p>	<p>Capacity assessments conducted before, during and after training</p>	<p>The project requires support from provincial and municipal level government agencies that often struggle with instability and absorptive capacity constraints.</p>
<p><b>Outcome 3</b> Enabling environment for</p>	<p>Number of hectares of restored</p>	<p>9,081 hectares of degraded spekboomveld</p>	<p>At least 1,000 hectares of degraded spekboomveld is restored</p>	<p>Regular reports from project proponents,</p>	<p>Adverse climatic conditions hamper success of restoration activities.</p>

<p>promoting rehabilitation of degraded land through carbon sequestration (including accessing and capitalising on carbon markets and the preparation of MRV documentation) in the Eastern Cape strengthened</p>	<p>spekboomveld in the Baviaanskloof</p>			<p>periodic site visits, interviews with land users</p>	
	<p>Existence of a government-endorsed, simplified methodology for calculation of certified emissions reductions/carbon credits from spekboomveld restoration</p>	<p>There is currently no simplified methodology for calculation of certified emissions reductions/carbon credits from spekboomveld restoration</p>	<p>Government endorses a simplified methodology for calculation of certified emissions reductions/carbon credits from spekboomveld restoration</p>	<p>Review of the methodology developed</p>	<p>Strong political will is required to ensure that the simplified methodology is officially recognised and endorsed by the government.</p> <p>An offset mechanism needs to be put into place for this simplified methodology to be implemented.</p>
	<p>Number of land users signing MoUs to form a Baviaanskloof Programme of Activities/Grouped Project</p>	<p>No land users in the Baviaanskloof are currently part of a Programme of Activities/Grouped Project</p>	<p>At least 15 land users in the Baviaanskloof sign an MoU to participate as proponents in a Programme of Activities/Grouped Project</p>	<p>Existence of an MoU to form a Baviaanskloof Programme of Activities/Grouped Project</p>	<p>Many CBNRM type initiatives have failed to deliver expected economic benefits to participating communities.</p> <p>Limited opportunities in national and international carbon markets deters land users from participating.</p>
<p><b>Outcome 4</b> Financing and governance frameworks strengthened to support the adoption of SLM approaches</p>	<p>SLM practices are mainstreamed into national and sub-national strategies for development and land-use planning</p>	<p>There is currently little integration of SLM practices into national and sub-national strategies for development and land-use planning. Where these do exist, they are seldom based on up-to-date scientific knowledge on SLM best practices and do not always incorporate a</p>	<p>A strategy for integrating SLM into development and land-use planning has been developed and implemented at the national and sub-national levels.</p>	<p>Review of the strategy for integration of SLM into development and land-use planning, interviews with national and sub-national land-use planners, Project Implementation Reports</p>	<p>The project requires support from provincial and municipal level government agencies that often struggle with instability and absorptive capacity constraints.</p> <p>The Government of South Africa may fail to provide financing and human resource capacity support for the continuation of successful project interventions.</p>

		diverse range of stakeholder priorities.			
	SLM objectives are mainstreamed into public expenditure, agricultural subsidies and land reform incentives	Current agricultural and related policies do not incentivise the implementation of SLM practices. Consequently, land users are unable to take advantage of opportunities for implementation of SLM practices in currently degraded landscapes.	A comprehensive set of policy recommendations that mainstream long-term SLM objectives into policies related to <i>inter alia</i> agriculture, rangeland management, biodiversity, soil and water conservation and land reform.	Review of the policy recommendations for mainstreaming SLM objectives, interviews with policy-makers, Project Implementation Reports	The Government of South Africa may fail to provide financing and human resource capacity support for the continuation of successful project interventions.

**ANNEX B: RESPONSES TO PROJECT REVIEWS** (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Response	Reference documents in
<b>Comments from the GEF Council</b>		
Germany's Comments		
<p>The current proposal emphasizes very much technical aspects and solutions, such as tools, methods, data and information management. In order to increase the sustainability of the project, the further project development should take community involvement more into consideration and support active participation of all stakeholders. This also includes exploring innovative policy instruments for the local governance of natural resources, such as e.g. Bio-cultural Community Protocols (BCPs);</p>	<p>This comment was taken fully on-board. Stakeholder involvement was a key part of project design and will be continued forward during implementation. At the community level, the project will work with existing community level institutions, including Farmers' Associations, Water User Associations and Soil Conservation Committees. This framework will be used to build capacity, provide a focal point for stakeholder participation, and create a framework for greater stakeholder involvement in decision-making. Innovative policy instruments will be explored fully through the implementation of the project's output 2.3.</p>	<p>Project Document Outputs 2.1, 4.3 and 4.4.</p>
<p>The presented concept of a green economy should be explained more clearly. It should also refer and build on existing agreements and reference initiatives, such as the South African Green Economy Accord. With regard to the creation of alternative livelihoods and "green jobs", potential alternative sources of income should be specified in more detail as options to reduce pressure on natural resources;</p>	<p>This comment is integrated and reflected within the project document and design. The document references the Green Economy Accord, integrates the green economy concept throughout, and provides a much more complete description of the green economy approach. The proposed rehabilitation and restoration activities that will build on the public works programme are geared towards promoting the creation of jobs through SLM interventions at the community level.</p>	<p>Project Document Section 1</p>
<p>During the elaboration of the full project scope, existing experiences from the Economics of Land Degradation (ELD) Initiative and The Economics of Ecosystems and Biodiversity (TEEB) should be taken thoroughly into account. This could also involve existing approaches such as GIZ's methodology for the Integration of Ecosystem Services into Development Planning (which helps to better analyse underlying causes of land and water degradation and who depends on ecosystem services, and who impacts on them). This is particularly relevant when it comes to analyzing potential trade-offs between different development activities such as mining, fracking, agriculture and other economic activities.</p>	<p>These types of tools have been incorporated and reflected within the project document and will inform the assessment and monitoring activities as well as the development of best practice manuals. Outcome 4 of the project will pursue better understanding and use of tools such as TEEB, TSA, CBAs as championed by initiatives such as the World Bank's WAVES (Wealth Accounting and Valuation of Ecosystem Services), GIZ's IES (Integration of Ecosystem Services into Development Planning) 6-step methodology and UNDP's Biodiversity Finance Initiative (BIOFIN) which South Africa is also piloting. The final recommendations on financing SLM will draw on these tools to inform Best Practice Manuals and Financing Strategies that can be used to mainstream this knowledge into national level financing frameworks. The Economics of Land Degradation (ELD) Initiative is a global assessment on the economic benefits and costs of land and land-based ecosystems funded by the Government of the Republic of Korea, channelled through the UNCCD Secretariat and implemented under the framework of UNDP's Integrated Drylands Development Programme. The Initiative highlights the value of sustainable land management and provides a global approach for analyzing the economics of land degradation. It aims</p>	<p>Project Document Output 2.1, 2.2 and 4.1. See Outcome 4 narrative in the PRODOC – para 231.</p>

	to make the economics of land degradation an integral part of policy strategies and decision-making by increasing the political and public awareness of the costs and benefits of land and land-based ecosystems. Project activities are carried out by the Drylands Development Centre (now the Nairobi Global Policy Centre) in close collaboration with the UNDP Country Offices in Kenya, Sudan and Tanzania. This project builds on the results of country level consultations carried out in 2014.	
The involvement of the private sector could be explored further, and as far as possible go beyond the proposed aspects of corporate social responsibility. This could, for example, include exploring business schemes for the sustainable use of natural resources and biodiversity, payments for ecosystem services, eco- and farm-tourism, or partnerships for the fair and equitable use of genetic resources (Access & Benefit Sharing);	This is an issue and concern shared by the private sector during project design. Farmers described a strong desire to have access to such tools and knowledge, particularly ways to better market SLM friendly goods. The project will support capacity-building for farmers to identify and generate SLM friendly alternatives. Through the implementation of the project, groups of farmers will be given an opportunity to generate business plans and funding proposals that allow them to implement such schemes.	Project Document Outputs 1.4, 2.1, 2.2 and 4.1.
For the development of the full size project, existing projects / programmes and experiences should be taken into account, such as the NEPAD/African Union Support to the Comprehensive Africa Agriculture Development Programme (CAADP), and the SADC/ BMU (German Ministry of Environment, Nature Protection and Nuclear Safety)- project development of integrated MRV systems for REDD+ in the SADC region.	The project development team included experts with a strong, working knowledge and experience with NEPAD/CAADP. The lessons generated through programs such as TerrAfrica Strategic Investment Programme are reflected in the project design. In addition, these programs will be fundamentally important as resource tools for the development of SLM best practices, monitoring and the knowledge base.	Project Output 2.1, 2.2 and 2.4.
<b>USA's Comments</b>		
The United States notes that the list of stakeholders is quite broad, and it seems reasonable to believe that consultation will be effective. We suggest that the project proposal detail how consultations will proceed with local communities and community institutions—do the partners listed (e.g., Land Care Program, Working for Water Program) have well-functioning stakeholder engagement efforts and extension networks that can be used to disseminate information and secure buy in from farmers and households? Given the ambitious goals for the number of farmers and households adopting improved watershed management, conservation agriculture and planting of thousands of trees, we recommend more detail on how community engagement will be used to achieve these outcomes.	Stakeholder engagement will be generated through a number of mechanisms. First, each of the primary technical partners (EWT, Rhodes University, and CSIR) have long-standing relationships with private and public sector stakeholders at pilot site and higher levels. Next, the project will engage private sector stakeholders through the establishment of multi-stakeholder forums to facilitate dialogue. These forums will be adapted to fit the engagement needs for different types of stakeholders at each landscape. For instance, both the Karoo and Oliphants have a mix of private land owners and communal farmers. The Machubeni lands are primarily communal farmers. All require slightly different engagement approaches. This is reflected in the project outputs. The project will also work with a host of existing stakeholder groups. This includes Soil Conservation Committees, LandCare Committees, Water Users Associations, Village Resource Management Committees, Farmer Study Groups and organizations and Biodiversity Stewardship Programs. The project has set in place a number of mechanisms to make certain lessons learned at the pilot site level are up-scaled to municipal, provincial and national levels. These mechanisms include making certain that representatives of appropriate government agencies participate in on-the-ground capacity building work. In addition, the project requires that a	Project Outcome 1, Outputs 2.1, 2.2, 2.3 and 2.4 Project Budget and Workplan

	series of annual workshops, reporting seminars, and other forums be initiated on an annual basis to make certain a wide-range of stakeholders are briefed on project activity/progress and report back to each other and share lessons. This will include working with these stakeholders to facilitate mainstreaming and upscaling of project emplaced success.	
We believe that the proposal is somewhat vague with regard to what is meant by conservation agriculture. We suggest that the proposal provide a definition and explain what activities by farmers could be counted. We note that the criteria by which South Africa will evaluate the uptake of conservation agriculture could be useful for other countries, regions, or stakeholder groups.	This comment is reflected and integrated within the project document and design. The document provides a more complete description of conservation agriculture. The proposed conservation agriculture measures will be implemented as part of the ecosystem rehabilitation and restoration measures.	Project Output 1.2
<b>Comments from the GEF Secretariat</b>		
<p><b>Carbon Methodology:</b> Provide the methodological information related to the carbon benefits;</p> <p>At CEO endorsement, please develop the reasoning and the methods to calculate carbon gains. We take note of the proxy of 150-200 t CO<sub>2</sub>equ per ha. But the baseline is certainly not null. Please, refer to the explanations and examples provided in the last GEF publication on LULUCF (<a href="http://www.thegef.org/gef/pubs/landuse-land-use-change-and-forestry-lulucfactivities">http://www.thegef.org/gef/pubs/landuse-land-use-change-and-forestry-lulucfactivities</a>).</p> <p>Please explain what the measures are to maintain these benefits on a 30 year period once the project will be closed.</p>	By project close, a simplified methodology for the restoration of spekboomveld will be developed by WWF-SA and Living Lands in collaboration with Rhodes University. This methodology will be endorsed by government under the carbon offsets mechanism that will form part of the national carbon tax to be implemented from 2016. In this way, land users will have easier access to funding for ecosystem restoration and SLM practices from the generation and sale of carbon credits. The simplified methodology will be based on approved VCS/CDM methodologies, but will be: i) tailored to the ecological characteristics of spekboomveld restoration; ii) designed to be more cost-effective in terms of monitoring, reporting and verification of certified emissions reductions; and iii) aligned with the national carbon tax and related offset mechanisms. Upon finalisation of the simplified methodology, protocols/standard operating procedures for the application of the simplified methodology will be developed to provide detailed guidelines on monitoring, reporting and verification of the carbon credits generated through spekboomveld restoration. This will provide a rigorous basis for the future development of similar methodologies for generation of carbon credits through restoration and SLM in other ecosystems across South Africa.	Project Document Section 1.3 and Output 3.1.
<p><b>Stakeholder Participation:</b> Confirm the participation and roles of CSO and local communities: At CEO endorsement, provide a plan to involve the civil society and local communities.</p>	Stakeholder involvement was a key part of project design and will be continued forward with implementation. Several round table meetings were held with a number of the partners, including: the Council for Scientific and Industrial Research (CSIR), the Agricultural Research Council (ARC), Rhodes University, the Development Bank of South Africa (DBSA) and the Endangered Wildlife Conservation Trust (EWCT), the Department of Agriculture, Forestry and Fisheries (DAFF), and the Department of Environmental Affairs (DEA). In addition, the	Project Document Outcome and Outputs section and 2.5 Stakeholder Engagement Plan

	<p>project design was vetted with relevant local stakeholders, including farmer groups. This same coordinated approach incorporating the same organizations and individuals will be critical to project implementation.</p> <p>Stakeholder engagement is fully described and incorporated within the project's outcome and outputs section. The project is now designed to incrementally engage multiple tiers of stakeholders (government, private enterprise, CSO) at all stages. Furthermore, the project will establish multi-stakeholder forums to facilitate dialogue on SLM.</p> <p>At the community level, the project will work with both new and existing community level institutions. This approach will engage a number of land user groups. These include: Soil Conservation Committees, LandCare Committees, Water User Associations, Village Resource Management Committees, Farmer Study Groups and organisations and Biodiversity Stewardship Programs.</p> <p>The capacities of these groups will be further enhanced through the identification, generation, and implementation of SLM improvements through Outcome 1 and Outcome 2.</p> <p>This framework will be used to build capacity, provide a focal point for stakeholder participation, and create a framework for greater stakeholder involvement in decision-making. Innovative policy instruments will be explored fully through the implementation of the project's outputs 4.2 and 4.3.</p> <p>Implementation at the pilot site level - primarily under Outcome 1 - will then build up to Outcome 2 where capacities will be expanded to improve the strategic financing and implementation of SLM at national, municipal, and provincial levels. These parties will be engaged through a series of innovative forums, project reviews, knowledge base and other tools designed to facilitate cooperative learning and lesson sharing from the stakeholder/pilot site level right through to national policy frameworks.</p>	
<p><b>Socio-Economics and Gender:</b> At CEO endorsement, please develop the socio-economic benefits and the gender issues. And explain how these issues will be included in the project.</p>	<p>The project document at Section 2.7 details socio-economic and gender considerations. These details are also integrated fully within the project design, e.g., indicators disaggregated by gender, etc.</p>	<p>See ProDoc Section 2.7</p>
<p><b>Risk Assessment:</b> Develop a comprehensive risk assessment; At CEO endorsement, please provide a comprehensive risk assessment and the mitigation measures.</p>	<p>Completed</p>	<p>See CEO Request and ProDoc 2.3</p>
<p><b>Monitoring Programme:</b></p>	<p>Output 1.5 of the project specifically address monitoring of the impacts</p>	<p>See ProDoc Output 1.5</p>

Include a Monitoring Programme. Provide the indicators and the baseline values:	of implementing SLM approaches in the degraded landscapes.	
<b>Co-financing:</b> Confirm the co-financing; Confirm the core resources from UNDP; UNDP is bringing \$1,000,000 from its own resources. Please confirm this grant at CEO endorsement.	Co-financing is detailed in the CEO Request and Project Document. UNDP's US\$ 1,000,000 co-finance confirmed. The US\$ 4,000,000 in co-financing from DBSA did not materialise. As explained in the Project Document, this was due to the collapse of South Africa's Dry-Land Fund. Additional co-financing, however, was secured from government including substantial and very important support from the Department of Agriculture, Forestry and Fisheries.	Project Document and CEO Request co-financing descriptions. Co-finance letters form part of the project documentation package (Annexes to the ProDoc.
<b>Comments from STAP</b>		
1. Overall, STAP recommends identifying clearly the global environmental benefits that this investment will generate. It also recommends including indicators to estimate and monitor the global environmental benefits. This information is provided briefly in the project framework (component 1), but not detailed sufficiently in other key sections of the proposal (e.g. incremental reasoning and global environmental benefits and the component section).	This comment was fully incorporated. Substantial detail was added regarding biodiversity conservation benefits and how the project will enhance the capacity of South Africa to conserve biodiversity in agricultural landscapes. As noted, less than 7% of South Africa forms part of the national system of protected areas. Over 80% of South Africa is utilised for agriculture. Many globally unique species, including the Riverine rabbit, exist almost entirely outside of the nation's protected area system. As a result, SLM implemented on productive landscapes will have a fundamental impact on ecosystem integrity and associated biodiversity conservation benefits. This project will contribute to creating an enabling environment for farmers in spekboomveld landscapes to participate in the voluntary carbon markets. If all 1.4 million hectares of spekboomveld in South Africa were to be rehabilitated and restored, the carbon sequestration potential would be significant. The project will support the creation of a monitoring tool to assess SLM impacts/progress, including biodiversity benefits. The learning from this project, the best practices it will develop and the capacity it will build for use of climate information in decision-making has potential to facilitate the up-scaling of SLM in South Africa's degraded landscapes, which amounts to about 25% of South Africa's land surface.	Project Context and Baseline descriptions Outcome 3 and Output 1.2. Results Framework
2. STAP encourages the project developers to consider specifying further the following aspects in each target region i) target populations; ii) their socio-economic characteristics; iii) the ecosystems they depend on; and, iv) how each component will contribute to improving ecosystem resilience and reducing vulnerability to climate risks and socio-economic impacts. Doing so will help strengthen the incremental reasoning and help define explicitly how each component will generate global environmental benefits.	This comment was fully incorporated. Each of the key technical support groups (Endangered Wildlife Trust, Rhodes University, and CSIR) worked to engage local stakeholders, identify SLM benefits, and reflect this information in the project design. This information is now reflected throughout the project site descriptions, baseline analysis, and within the project's outcome/outputs sections.	Results Framework GEF Tracking Tool Project Document Annex on Pilot Site Descriptions
3. STAP suggests detailing further component 1 and component	Intensive collaboration with the stakeholders resulted in a much more	Project Document Part

<p>2. Currently, these appear to be described broadly, particularly their sub-activities and their expected global environmental benefits. These are detailed to some degree in the project framework, but not in the main body of the proposal. For example, in component 1, it would be useful to describe further the soil and water conservation technologies (in addition to conservation tillage), and other practices that will be strengthened to improve capacities on ecosystem resilience. STAP also encourages the project developers to define further the rationale for selecting each technology based on the land users socioeconomic characteristics, their knowledge base of land management, and evidence that further justifies strengthening land management. In this regard, STAP recommends linking component 1 to outcomes from previous relevant initiatives, such as the Succulent Karoo Ecosystem Programme (SKEP) mentioned briefly on page 12.</p>	<p>strategic and integrated set of responses. While staying within the basic parameters of the PIF, these responses are now designed to generate a much more programmatic approach to SLM. The project will start with ground-work at the pilot site level and build a trajectory that will eventually result in SLM improvements with Municipal, Provincial, and National level impacts. The initial technologies to be applied will amplify existing best practices integrated with best international experience. This will be a very much stakeholder-driven process, working to establish pathways for building local capacities to identify, implement, monitor and garner lessons from the process of project implementation.</p>	<p>2.3 “Project Objective, Outcomes, and Outputs”</p>
<p>4. Furthermore, STAP recommends defining further the "geo-based climatic, agro-ecological and hydrological information system". It is unclear what this system will comprise (new model or integration of existing models? process-based or empirical?) and who the end users will be for this system (e.g. extensionists, agricultural and environmental ministries, land users), and the level of training required to apply the tools and methods. How will the level of training required influence the viability of the tools, and their purpose to address ecosystem resilience? Additionally, it would be useful to describe how the information system will complement the "capacity" outcome (component 1) focused on strengthening land management skills.</p>	<p>This point was discussed thoroughly during the project design period. The “geo-based climatic, agro-ecological and hydrological information system” was refined and morphed into a much more useful SLM tool. South Africa has done substantial mapping on the macro-scale and has a high level of capacity for generating information based systems. However, no tool exists to specifically inform and monitor SLM decision-making that is integrated (e.g., incorporates biodiversity, water, vegetation cover, socio-economic data, etc.) and designed to assist decision-makers on the ground. Under Output 2.5, the project will build upon the existing baseline (e.g., LADA) and create such a practical tool for SLM monitoring. This will be used to help inform project results/progress. The tool will become part of a national SLM knowledge base. By project close, it is envisioned that the tool will be used to assist stakeholder groups and inform decision-making on all three government levels: municipal, provincial, and national. This will be accompanied by commensurate capacity building and training.</p>	<p>Project Document Outputs 2.1, 2.2 and 2.5.</p>
<p>5. The proposal indicates that climate risks and climate variability are influencing ecosystem resilience and livelihoods in the target areas. To strengthen further the links between climate, ecosystem resilience and livelihoods, STAP suggests providing climate variability data for the target regions (if possible) in the project description (section A.1). Two sources for this information could be the IPCC Data Distribution Centre, and the World Bank Climate Change Knowledge Portal. These sources also provide adaptation tools and socioeconomic baseline data that could further strengthen the project description and component 1.</p>	<p>During the PPG period, stakeholders strived to apply this data as much as possible. However, as noted above, most current data available is at a scale too broad to be applicable to field level assessment. The project will help address this gap by implementation of the monitoring tool described above.</p>	<p>Project Document Outputs 2.1., 2.2, and 2.5.</p>

<p><a href="http://sedac.ipcc-data.org/ddc/baseline/index.html">http://sedac.ipcc-data.org/ddc/baseline/index.html</a>  <a href="http://sdwebx.worldbank.org/climateportal/index.cfm">http://sdwebx.worldbank.org/climateportal/index.cfm</a></p>		
<p>6. STAP recommends defining as a risk relying uniquely on the information system as a knowledge source on rehabilitating degraded lands without complementing the tool with scientific evidence on the economic viability of restoring ecosystem functions. Restoration costs and benefits of restoring ecosystem functioning can vary across, and within, sites, and a geo-reference modelling system may not appropriately attribute these costs and benefits to land users. D.J. Crookes, et al. (2013) suggest a decision-making framework based on markets (including payment for environmental services) as a way of reducing risks and/or increasing rewards resulting from ecosystem restoration. (The paper focus in the Karoo region, among other regions.) The project developers may wish to use this source, among others, when developing the proposal. D.J. Crookes, et al. "System dynamic modelling to assess economic viability and risk trade-offs for ecological restoration in South Africa". Journal of Environmental Management, Volume 120, 15 May 2013, Pages 138-147.</p>	<p>Linking information obtained through WOCAT questionnaires to GIS permits the production of maps, as well as area calculations on various aspects of land degradation and conservation. Integrated map-based assessments will be undertaken by DEA, DAFF, the implementing partners and other relevant government departments. The assessments will cover social, cultural, economic and ecological aspects to provide a comprehensive baseline of the state of the land/ecosystem and other resources. The levels of use and the dynamics shaping the interaction between the resources and people in a specific context will also be provided. Furthermore, the assessments will be complemented by analyses of critical supporting issues, such as: i) cost-effectiveness of land and ecosystem rehabilitation in the context of a green economy; ii) current carrying capacities of the land/ecosystems in the Nama-Karoo, Thicket and Savanna biomes and the discrepancies between the carrying capacities and the current demands on the ecosystems, iii) integrated assessment of climate-related hazards; and iv) vulnerabilities and climate-sensitive natural resources. Collectively, these assessments will form the basis of knowledge-based recommendations for mitigating land degradation. The recommendations will address the challenges and opportunities present in the pilot areas and will inform the design and methodologies for the interventions proposed. Based upon these recommendations, context-specific strategies and techniques for ecosystem rehabilitation and management – to be implemented under Outcome 1 in the Karoo, Eastern Cape and Olifants landscapes – will be developed.</p> <p>In addition thereto, a comprehensive financial analysis of current and potential sources of financing for SLM practices will be undertaken. This will include reviews of public expenditure as well as private sector investments into SLM. In addition, formal and informal value chains for goods and services resulting from SLM practices – e.g. eco-friendly livestock products and alternative livelihood options, including ecotourism and game farming – will be identified and analysed. This will contribute towards the development of a set of recommendations detailing opportunities for catalysing SLM practices by unlocking viable markets. This will serve to incentivise landusers to adopt SLM practices by reducing the perceived levels of risks associated with such practices. . .</p>	<p>Project Document  Outputs 2.1, 2.2, 2.5 and 4.1..</p>
<p>7. The proposal is based on the concept of "green economy". It would be useful to define further this term in the context of the project objective.</p>	<p>This point is well taken and information was incorporated within the project document.</p>	<p>Project Document 1.3  "The Long-term Solution and Barriers to Achieving this Solution"</p>
<p>8. A major component (component 2) focuses on development of</p>	<p>A simplified methodology for the restoration of spekboomveld will be</p>	<p>Project Document</p>

<p>a carbon accounting methodology for the "spekboom" shrublands, The objective is to devise a method, with low transaction costs, to encourage wider adoption. Though no detail of the proposed basis for the method is given in the project description, the need for remote-sensing based monitoring and verification protocol is mentioned elsewhere. While laudable, this will be extremely challenging. Currently remote sensing is used for baseline assessments (e.g. in Australia) to delineate forest and non-forest areas. Shrublands, however, are very difficult to discern. While airborne technology (esp LIDAR) may be effective in assessing C stock of forests such as uniform conifer plantations, costs are prohibitive. It is not currently possible to assess C stock changes even in such regular forests by satellite remote sensing. Successful application of remote sensing to assess C stock changes in shrublands with high spatial variability seems highly unlikely. Is there preliminary research that indicates that remote-sensing will be effective? Are researchers with expertise in remote-sensing of biomass involved in the project? Perhaps a combination of remote-sensing for the baseline assessment, and modelling for C stock change estimation, such as employed in Australia's carbon accounting system for national inventory and at project level (reforestation modelling tool <a href="http://ncat.climatechange.gov.au/cfirefor/">http://ncat.climatechange.gov.au/cfirefor/</a>), could meet the needs for a low-transaction cost C estimation tool?</p>	<p>developed by WWF-SA and Living Lands in collaboration with Rhodes University. This methodology will be endorsed by government under the carbon offsets mechanism that will form part of the national carbon tax to be implemented from 2016. The simplified methodology will be based on approved VCS/CDM methodologies, but will be: i) tailored to the ecological characteristics of spekboomveld restoration; ii) designed to be more cost-effective in terms of monitoring, reporting and verification of certified emissions reductions; and iii) aligned with the national carbon tax and related offset mechanisms. Upon finalisation of the simplified methodology, protocols/standard operating procedures for the application of the simplified methodology will be developed to provide detailed guidelines on monitoring, reporting and verification of the carbon credits generated through spekboomveld restoration.</p>	<p>Output 3.1</p>
<p>9. The project has a six-year duration. While this is longer than most FSPs, it might still not be adequate to meet project goals. Achieving the output targets cited in section B 1 (1000 farmers adopting ecologically viable livestock farming; 25% of farmers adopting improved watershed management; conservation agriculture adopted by 10 000 households) are rather ambitious. The long history of failed 'stock reduction' policies and soil conservation programs in the region suggests that a more modest set of targets be considered. During the PPG it might be useful to review these targets and set more realistic indicators.</p>	<p>During the project design period, stakeholders including both the Department of Agriculture, Forestry and Fisheries and Department of Environmental Affairs determined that the project period should be shortened to five years. There were several reasons for this. Foremost, however, were budget concerns. A six-year project stretched the budget too thinly and, importantly, risks going above GEF mandated project management expenditure constraints. The targets were also revised down during the PPG process to be more realistic and practical.</p>	<p>Project Document: Complete Budget and Workplan</p>
<p>10. The project is well written, but Part II. Section A.1 'Context and Global Significance' is rather weak and contains inconsistencies in the use of terms such as biomes, ecoregions, communities. Other terms such as 'ecological reserve', 'climate-proofed', and 'resilience thinking' are not defined. Statements such as 'The xeric thickets and xeric shrublands have low to no levels of resilience and thus will not undergo Clementsian succession' are difficult to comprehend and seem out of place.</p>	<p>Rather than rely upon the sort of language flagged in by the STAP review, the Project Document attempts to use very clear language to generate what is hopefully an easily understood and well-reasoned design approach.</p>	<p>Project Document</p>

<p>STAP suggests that novel terminology should be defined in the full project brief.</p>		
<p>11. The proposal identifies the many and significant barriers to achieving the stated outputs. While providing a comprehensive assessment of risks, it retains rather ambitious objectives that are unlikely to be met within the project timeframes. It refers to the very considerable baseline investments, which have very similar objectives to this proposal, but which have continued to fail in achieving their aims despite over 15 years of implementation. The expectation that the GEF investment will change the pace and direction of land rehabilitation and achieve zero net land degradation is perhaps over optimistic, as indicated above. STAP recommends the full project brief describe the coordination mechanisms to be used to ensure synergies and learning between the many existing land degradation projects in South Africa, and indicate how the GEF investment will add value to current initiatives.</p>	<p>These concerns are very well founded and were the focus of much project design activity. The project stakeholders shared these concerns and addressed them through a number of innovative approaches. First, some of the overall targets were reduced to be more realistic (e.g., number of persons employed, number of trees replanted, etc.). Second, the project design team analysed why the existing baseline has often failed to have a high-level of impact, and determined a project strategy that will hopefully catalyse a substantial change/improvement. The project is now designed to incrementally build a program for SLM that will help increase both the effectiveness and efficiency of the existing baseline. This begins with the design, implementation and monitoring of SLM practices and capacity building at site level. Activity at these pilot sites is now harmonised to generate a more programmatic approach. Implementation at the pilot site level - primarily under Outcome 1 - will then build up to Outcome 2 where capacities will be expanded to improve the strategic financing and implementation of SLM at national, municipal, and provincial levels. Coordination of this effort is described fully in the Project Document, including the establishment of multi-stakeholder forums, project reviews, knowledge base and other tools designed to facilitate cooperative learning and lesson sharing from the stakeholder/pilot site level right through to national policy frameworks. The project remains ambitious and will certainly deliver impacts equal or, likely greater than, those envisioned in the PIF. However, these impacts will be much more lasting by improving the SLM business practices and decisions by “on-the-ground” stakeholders and government agencies. A major focus of this effort will be to create a more strategic approach to the allocation of government support/resources for SLM.</p>	<p>Project Document’s Outcomes and Outputs section</p>
<p>12. The proposal identifies knowledge, capacity and governance as key challenges that it will address. It tends to disregard the very considerable knowledge base available in southern Africa on ecosystem structure, function and dynamics, agricultural practice in both commercial and communal areas, and on community based natural resource management.</p>	<p>This was another concern shared by the project development team, including participating government agencies, NGO’s, academic organisations, and private/community agriculturalists. The project addresses this by taking an approach designed to capture lessons learned - not only now but into the future - and creating tools and forums for the generation and sharing of improved SLM practices. This is reflected in tools such as the proposed: SLM Knowledge Base, Sustainable Funding Strategy and Best Practices Manuals.</p>	<p>Project Document Outcomes and Outputs.</p>
<p>13. During the development of the PPG, the basis of the UNCCD strategy should be interrogated within the context of available experience in the region. Further, the UNCCD model needs to be more clearly described in the PPG, especially as it relates to</p>	<p>This issue was taken up and addressed primarily through Output 4.4. Here, the project will facilitate the development of a National Platform for SLM. The national platform will help make certain on-going and future SLM investments are more strategically aligned to generate landscape</p>	<p>Project Output 4.4.</p>

governance. No mention is made of coordination and integration of the numerous existing SLM related projects in South Africa, nor on how the critical institutional weaknesses will be addressed.	level SLM impact. This will include building the capacity of the National Coordinating Body for UNCCD to take up SLM lessons learned from project activity.	
14. The proposal to establish new 'Soil Conservation Committees', although not described in any detail, is welcomed, as a sense of ownership and responsibility is of critical importance.	The project design stakeholder team fully agreed with this observation. The observation was integrated and amplified. Under Output 2.3, local level institutions for the successful adoption of community-based natural resources management will be established and/or strengthened. These include: Soil Conservation Committees, LandCare Committees, Water Users Associations, Village Resource Management Committees, Farmer Study Groups and organizations and Biodiversity Stewardship Programs. The capacities of these groups will be further enhanced through the identification, generation, and implementation of SLM improvements through Outputs 2.1 and 2.2.	Project Outputs 2.1, 2.2 and 2.3.
15. The PPG process should explicitly describe the mechanisms to engage with and sustain the active participation in decisions by local communities. Traditional subsistence farmers, with a high proportion of single women headed households, have important local knowledge to be contributed to the decision making process, and their direct contributions should be strongly supported. Mechanisms to achieve this should be described.	This issue is addressed primarily through the activities described in the comment above. In addition, the project will be working with local level extension officers and municipal/provincial level government agents responsible for building SLM capacity and making natural resource management decisions that impact SLM achievement. The capacity building activities to be conducted at the site level will specifically target women as beneficiaries and participants with the aim of empowering them to participate in decision-making about land use and management.	Project Outputs 2.1, and 2.2.
16. While the proposed 'capacity building' exercises led by the Rhodes University group will build on proven performance, it is not clear how institutional architecture and agricultural policy relating to incentives to implement soil conservation, rangeland rehabilitation, and stock reduction, will be implemented.	This was a major concern during project design. The concern is/will be addressed using a number of tools designed to incrementally build capacity not only during project implementation but to generate a new model for continually building capacity well after project completion. Once local-level land user groups have been capacitated, these stakeholders will be given an opportunity to apply lessons learned through Output 2.1 and 2.2. The institutional frameworks for this approach are well described within both the project's outcomes/outputs, implementation sections, and budget and work plan. These issues were the subject of exhaustive round-table discussions with representation from each of the project's main technical partners (Rhodes University, CSIR, and EWT) along with government. In the end, the project takes a much more integrated approach where existing experience and knowledge from each of these partners as well as other South African entities will be aligned to generate economies of scale to have broader and more strategic capacity building impact. This will again be "scaled-up" through Output 4.2 where specific policy responses are mainstreamed within government structures.	Project Outcomes and Outputs
17. Capacity building for SLM is not a trivial activity, and given the failure of very large investments (several billion dollars) by the South African government in land restitution and small	This comment is very relevant. Again, the project is designed to be very realistic with all partners sharing the cautious optimism expressed by STAP review. These capacity building concerns and, ideally, the	Project Document Outputs 2.1 and 2.2.

<p>farmer development projects (which include capacity building investments) the task should not be approached with high expectations. This said, the approach proposed will introduce pilot models that might be of wider application. The cautious comments on the difficulties of establishing stewardship programs in communal lands are sensible.</p>	<p>innovative approaches to be applied by this project are addressed in the comments above.</p>	
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<p>18. The proposal to plant 100 000 trees as part of the rehabilitation process is welcomed, but it would be important in PPG to indicate which species will be used, and how their contribution to GHG and soil erosion reduction will be measured.</p>	<p>First, the project design team/stakeholders found that this “100,000” tree target is a bit too optimistic. Tree plantation is considered as only one tool that will be used to address land degradation. This tool must be used as part of a comprehensive approach designed to achieve SLM objectives that are landscape-wide and measured by a host of ecosystem health indicators, including water quality/quantity, soil stabilization, biodiversity conservation, climate change mitigation/adaptation and the promotion of more sustainable production methods. Never-the-less, the project will support rehabilitation using native species and based upon initial success shown in all three landscapes. As noted in the Project Document, species will include a number of Karoo succulents - per the small-scale efforts of EWT - and Spekboom - as noted in the Project Sections related to the Bavianskloof system. As already noted, Spekboom has been assessed to have tremendous carbon capture potential and so the benefits to be gained from rehabilitation and replanting of Spekboom cannot be overstated.</p>	<p>Project Document Sections 1 and 2.</p>
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**ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS<sup>10</sup>**

A. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES FINANCING STATUS IN THE TABLE BELOW:

<b>PPG Grant Approved at PIF: US\$ 100,000</b>			
<b><i>Project Preparation Activities Implemented</i></b>	<b><i>GEF/LDCF/SCCF/NPIF Amount (\$)</i></b>		
	<b><i>Budgeted Amount</i></b>	<b><i>Amount Spent To date</i></b>	<b><i>Amount Committed</i></b>
Baseline studies and stakeholder consultations, and Project Document and DEO Endorsement Request prepared.	100,000	95,656.37	4,343.63
<b>Total</b>	<b>100,000</b>	<b>95,656.37</b>	<b>4,343.63</b>

<sup>10</sup> If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities.

**ANNEX D: CALENDAR OF EXPECTED REFLOWS (IF NON-GRANT INSTRUMENT IS USED)**

**PROVIDE A CALENDAR OF EXPECTED REFLOWS TO THE GEF/LDCF/SCCF/NPIF TRUST FUND OR TO YOUR AGENCY (AND/OR REVOLVING FUND THAT WILL BE SET UP)**

**NOT APPLICABLE**