



REQUEST FOR CEO ENDORSEMENT¹

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT INFORMATION

Project Title: Namibian Coast Conservation and Management Project			
Country(ies):	Namibia	GEF Project ID: ²	4669
GEF Agency(ies):	WB (select) (select)	GEF Agency Project ID:	P128511
Other Executing Partner(s):	Ministry of Environment and Tourism	Submission Date:	2012-11-27
GEF Focal Area (s):	Multifocal Area	Project Duration(Months)	60
Name of Parent Program (if applicable): For SFM/REDD+ <input type="checkbox"/>	N/A	Agency Fee (\$):	192,500

A. FOCAL AREA STRATEGY FRAMEWORK³

Focal Area Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Grant Amount (\$)	Cofinancing (\$)
(select) BD-1	1.1: Improved management effectiveness of existing and new protected areas.	Output 1.1. New protected areas (number) and coverage (hectares) of unprotected ecosystems. [two protected area covering coastal and marine (811,000 ha + 500 ha)]	GEF TF	822,000	1,879,499
(select) BD-1	1.2: Increased revenue for Protected Area (PA) systems to meet total expenditures required for management	Output 1.3. Sustainable financing plans (1).	GEF TF	100,000	300,000
(select) BD-2	2.1: Increase in sustainably managed landscapes and seascapes that integrate biodiversity conservation..	Output 2.1. Policies and regulatory frameworks (at least 1) for production sectors. Output 2.2. National and sub-national land-use plans [at least 2] that incorporate biodiversity and ecosystem services valuation.	GEF TF	183,000	1,503,501
(select) LD-3	3.1: Enhanced cross-sector enabling environment for integrated landscape management .	Output 3.1 Integrated land management plans developed and implemented (at least 2) Output 3.4 Information on INRM technologies (ICZM	(select)	726,700	1,289,000

¹ It is important to consult the GEF Preparation Guidelines when completing this template

² Project ID number will be assigned by GEFSEC.

³ Refer to the [Focal Area/LDCF/SCCF Results Framework](#) when filling up the table in item A.

		in this context) and good practice guidelines disseminated .			
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)		(select)		
(select)	(select)	Others	(select)		
Subtotal				1,831,700	4,972,000
Project management cost ⁴			(select)	93,300	900000
Total project costs				1,925,000	5,872,000

B. PROJECT FRAMEWORK

Project Objective: To strengthen conservation, sustainable use and mainstreaming of biodiversity in coastal and marine ecosystems in Namibia.

Project Component	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Grant Amount (\$)	Confirmed Cofinancing (\$)
Component 1: Legal, Institutional, Policy and Planning Framework for Integrated Coastal Zone Management BD: 230,000 LD: 50,000	TA	Increase in the number of national, regional and local plans and strategies that incorporate biodiversity issues	-Proposal for the enabling legislation of NPCM completed -Paper for Governance options completed -Regional or local government coastal management related land-use plans prepared -At least one report on methodologies and lessons learned on restoration, , EIA and good management and technologies of SLM/SFM for the coast developed and disseminated -Functional advisory mechanism for collaboration and integration among sectoral agencies and	GEF TF	280,000	1,090,000

⁴ GEF will finance management cost that is solely linked to GEF financing of the project. PMC should be charged proportionately to focal areas based on focal area project grant amount.

			<p>across multiple scales on sustainable coastal and ocean management in place</p> <p>-ICZM approach incorporated in mining and fisheries companies' policies</p>			
<p>Component 2: Targeted Capacity-Building for Integrated Coastal Zone Management</p> <p>BD: 171,700 LD: 40,000</p>	TA	<p>Increase in the number of people engaged in sustainable land use activities supported by the project.</p>	<p>-Number of people trained in ICM approach and on key tenets of NPCM</p> <p>-Number of awareness, communications and environmental education activities</p> <p>-Training program for National, Regional and Local key policy and decision makers to embrace multiple environmental benefits within planning tools and monitoring.</p>	GEF TF	211,700	972,000
<p>Component 3: Targeted Investments in Critical Ecosystems for Biodiversity Conservation and Sustainable Use</p> <p>BD: 703,300 LD: 636,700</p>	Inv	<p>Increase in km2 and number of terrestrial and marine ecosystems of biodiversity importance legally protected</p> <p>Increase in score of management effectiveness for 2 PAs (869,874 ha and 500 ha)</p> <p>Increase in the number of people engaged in sustainable land use activities supported by the project</p>	<p>-Number of investments in pilot areas covering 200,000 ha supporting the rehabilitation of land degradation and improving sustainable management</p> <p>-Number of people trained in park management, patrolling, tourism management and EIA</p> <p>-Number of selected existing visitor centers refurbished in Dorob and NIMPA</p> <p>- One integrated land use plan developed in the adjacent conservancies</p>	GEF TF	1,340,000	2,910,000

			-Sustainable financing plan for Dorob implemented			
			-Proactive law enforcement and compliance mechanisms in place for coastal management in the coast			
			-Improved research and monitoring of coastal and marine biodiversity conservation and sustainable use			
			-Training program for National, Regional and Local key law enforcement personnel			
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
	(select)			(select)		
Subtotal					1,831,700	4,972,000
Project management Cost ⁵				(select)	93,300	900,000
Total project costs					1925000	5872000

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

Sources of Co-financing	Name of Co-financier (source)	Type of Cofinancing	Cofinancing Amount (\$)
National Government	MET	In-kind	5,872,000
(select)		(select)	
(select)		(select)	
Total Co-financing			5,872,000

D. GEF/LDCF/SCCF/NPIF RESOURCES REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/ Global	(in \$)		
				Grant Amount (a)	Agency Fee (b) ²	Total c=a+b
World Bank	GEF TF	Biodiversity	Namibia	1,161,000	116,100	1,277,100
World Bank	GEF TF	Land Degradation	Namibia	764,000	76,400	840,400
(select)	(select)	(select)				0

⁵ Same as footnote #4.

(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				1,925,000	192,500	2,117,500

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

Component	Estimated Person Weeks	Grant Amount (\$)	Cofinancing (\$)	Project Total (\$)
Local consultants*	810.00	564,000		564,000
International consultants*		0		0
Total		564,000	0	564,000

* Details to be provided in Annex C.

F. PROJECT MANAGEMENT COST

Cost Items	Total Estimated Person Weeks/Months	Grant Amount (\$)	Co-financing (\$)	Project Total (\$)
Local consultants*	850.00	70,000	525,000	595,000
International consultants*		0		0
Office facilities, equipment, vehicles and communications*		23,300	260,000	283,300
Travel*		0	115,000	55,000
Others**	Specify "Others" (1)	0		0
	Specify "Others" (2)			0
Total		93,300	900,000	993,000

* Details to be provided in Annex C.

** For others, to be clearly specified by overwriting fields *(1) and *(2).

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

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

H. DESCRIBE THE BUDGETED M & E PLAN:

The project is an additional finance to the original GEF NACOMA project. The project will support monitoring and evaluation of project activities at the level of the Project Coordination Unit (PCU) as in the original project. The NACOMA M&E system has been designed following an assessment of the Government of the Republic of Namibia (GRN), World Bank and GEF experiences. It consists of a Management Information System (MIS), performance monitoring tools and Project impact evaluation tools and is linked to the PCP, the EMP and national efforts for coastal and marine biodiversity monitoring supported under component 2. The system’s principal elements are.

- (i) An organizational and institutional framework for implementation;
- (ii) An M&E plan which addresses both Project performance and impact through defined methodologies and reporting forms;
- (iii) Key outcome indicators, including mid-term and end-term targets and results indicators per component;
- (iv) Responsibilities for data collection and the main data users;

- (v) An M&E action plan and budget; and
- (vi) M&E activities and timeline for the Project's lifetime and mainstreaming of M&E for coastal zone management beyond the end of the Project.

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1.1. The [GEF focal area/LDCF/SCCF strategies/NPIF Initiative](#):

The original project (NACOMA) was funded by \$ 4.9 million grant from the Global Environment Facility (GEF). The GEF Grant agreement was approved in August, 2005 and became effective in October, 2005. The project is closing in December 2012. This additional financing request will be funded by \$ 1.9 million grant from the GEF approved in the June 2012 GEF council meeting. It addresses multiple GEF Focal areas and presents a cross-cutting proposal that is consistent with the GEF Biodiversity (Objectives 1, 2) and Land Degradation (Objective 3) Focal Areas.

GEF Biodiversity Focal Area:

Objective 1: the additional financing will support sustainable coastal and marine protected area systems by ensuring that: a) ecologically viable and representative samples of the coastal and marine ecosystems and threatened species are protected to ensure their long-term persistence; b) sufficient financial resources are available for protected area management; and c) sufficient institutional and individual capacities are built and maintained for long term effective management of protected areas that includes participation by local communities.

Objective 2: the additional financing will promote measures to help reduce the negative impacts that productive sectors exert on coastal biodiversity and highlight the contribution of biodiversity to ecosystem functioning, economic development and human wellbeing. Support will be given to continuing development and implementation of broader institutional, policy, legal, and regulatory frameworks for coastal governance. The additional finance will further mainstream biodiversity into key production sectors such as coastal tourism and fisheries as well as into mining and other major extractive industries occurring or proposed in Namibia's coastal and marine areas.

GEF Land Degradation Focal Area:

Objective 3: Activities under this objective will address the pressures on natural resources from competing land uses in the wider coastal landscape. The focus will be on building capacity for achieving harmonized sectoral policies and coordinated institutions to promote an enabling environment between relevant sectors and the large-scale application of good management practices based on integrated land use planning. The additional finance will seek to build upon the existing Country Pilot Partnership for Integrated Sustainable Land Management (CPP ISLM) framework and promote integrated cross-sectoral approaches. It will supplement the successful initiatives supported by the NACOMA project relating to strengthening capacity for cooperation and collaboration among the different economic sectors on the coast (mining, tourism, fisheries, conservation, transport, development etc.) for sustainable coastal development. The additional finance will promote investments in ecosystem restoration and rehabilitation of degraded areas in selected sites of community lands around the coastal PAs.

A.1.2. For projects funded from LDCF/SCCF: the LDCF/SCCF eligibility criteria and priorities:

N/A

A.1.3 For projects funded from NPIF, relevant eligibility criteria and priorities of the Fund:

N/A

A.2. National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAS, NAPs, NBSAPs, national communications, TNAs, NIPs, PRSPs, NPFE, etc.:

Namibia is a middle-income country whose considerable successes rest on a strong multi-party parliamentary democracy. The greater part of Namibia consists of arid and semi-arid rangelands with little to no permanent surface water. Namibia is divided into six geographical regions: a) the Central Plateau where the majority of Namibia's population and economic activity is; b) the Namib desert; c) the Escarpment where vegetation ranges from dense woodlands to shrubby areas; d) the Bushveld with flat and sandy soils covered with savannah vegetation; e) the Kalahari desert which is home to the Succulent Karoo Biome, an area with high proportions of endemic species; and f) the Namibian Coastal and Marine region. These regions support diverse ecosystems, habitats and abundant fauna and flora.

Namibia's coastline extends some 1,570 km, from the mouth of the Orange River on the South African border, to the mouth of the Kunene River on the Angolan border. Namibia's ocean area has one of the highest primary production rates in the world and provides critical renewable natural resources for the country. It spans an area of 580,000 km² and falls within the Benguela Current Large Marine Ecosystem (BCLME). Shared with Angola and South Africa, this current supports vast populations of commercially valuable fish species. The inshore marine environment provides nursery habitats for many types of marine organisms. The hyper-arid Namibian coastal ecosystem is home to two globally important biomes (the Namib Desert and Succulent Karoo biomes) and a significant and unique array of biological and ecological diversity, including uniquely adapted plants and animals, rich estuarine fauna and a high abundance and diversity of migratory shorebirds and seabirds.

The coast supports several internationally important coastal wetlands, such as the Kunene River Mouth, Cape Cross Lagoons, Mile 4 Salt Works, the 30 kilometers of beach between Swakopmund and Walvis Bay (including the Swakop River Mouth), Walvis Bay Wetlands, Sandwich Harbor, Lüderitz Lagoon and the Orange River Mouth, some of which are Ramsar sites and others are Important Bird Areas. The wetlands at Walvis Bay, which include the Kuiseb River estuary, extend over some 35 to 40 km² and support migratory birds as well as more than half of Southern Africa's flamingos. The Benguela system is one of the most productive systems on the planet. Endemic dolphins, breeding Southern Right Whales, foraging threatened sea turtle species and many important seabird and shorebird species focus on the Namibian marine environment.

In 2004, the Government of the Republic of Namibia (GRN) launched the Vision 2030, a 30-year planning framework for sustainable development. The framework promotes the development of natural capital through strategies for the sustainable, equitable and efficient use of natural resources, maximizing comparative advantages and reducing inappropriate resource use practices. Vision 2030 prioritizes coastal governance under goal number 7: "Conservation and management of biological diversity along the coastal region of Namibia". To this end, the Vision aims to ensure open, diverse, stable, and productive wetlands, coastal and marine eco-systems by 2030. To realize the provisions of Vision 2030 and guide national development, the National Planning Commission (NPC) has developed National Development Plans (NDPs). The NPC coordinated the formulation of the Third National Development Plan (NDP3) 2007/2008 – 2011/2012 in 2007. This NDP3 supported ongoing decentralization and identified key environmental concerns such as sustainable management of scarce water resources, biodiversity conservation, pollution and waste management, sustainable energy development, capacity building, and sustainable livelihood. The NPC is currently preparing the Fourth NDP which continues to consider the economic value of Namibia's natural capital.

In 2005, the government requested support from the GEF/World Bank for the Namibian Coast Conservation and Management (NACOMA) project. The current GEF grant supporting the NACOMA Project has made significant contributions to the Bank's engagement in Namibia by building trust with the government and civil society.

The first NACOMA Project is widely recognized as having made significant contributions to conservation and sustainable utilization of natural resources along Namibia's coast in a very challenging context of competing demands on these resources and fragmented political authority to govern them. The NACOMA Project has succeeded in putting in place a basic legal and institutional structure for coastal resource management --- the Namib-Skeleton Coast National Park, the National Coastal Management Policy (NPCM), procedures for coordinating actions across ministries, levels of government, and with the private sector. This structure is still quite

new, however (e.g., the NPCM was only approved by the cabinet in September 2012) and the activities proposed under the additional financing are critically needed to ensure that the new laws, policies, institutions and parks are up in a strong start.

The global environmental benefits of this additional finance is to support the enabling legislation of the NPCM and disseminate and incorporate the integrated coastal management approach mandated in the NPCM in development activities. In addition, the additional finance will support the effective management of several protected areas (869,874 ha terrestrial and 500 ha marine PAs) and will support on the ground activities in the newly established parks and buffer areas that will address land degradation issues in the coast. The proposed additional financing would directly support the emerging strategy of strengthening the country's capacity to address its most pressing development challenges.

B. PROJECT OVERVIEW:

B.1. Describe the baseline project and the problem that it seeks to address:

The Namibian coast, isolated between the ocean and the escarpment, is considered a constant island of aridity surrounded by a sea of climatic change, and, thus, has remained a relatively stable center for the evolution of desert species. Exceptional features of the Namibian coast at the ecosystem level include (i) a fog belt due to the cold marine upwelling along the coast on more than 180 days of the year (considered as the life-blood of the Namib Desert, providing enough moisture for a number of highly-adapted animal species to survive, and being an important factor for the remarkably high biodiversity); (ii) a climatic transition belt dividing the coastal area into a northern area which receives summer rainfall and a southern area which receives winter rain (the narrow strip of land within this transition belt is the most arid area in Southern Africa with a mean annual rainfall of 2 to 20 mm); and (iii) the Benguela Current Large Marine Ecosystem which has the highest primary production rates in the world, and one of the most important renewable natural resources of the country (shared with Angola and South Africa, the BCLME supports vast population of fish species and the inshore marine environment, and provides migration and nursery habitats for marine organisms). In summary, Namibia's coastal ecosystems harbor unique features and biodiversity in the form of endemic plants, invertebrates, amphibians, reptiles, mammals and birds - found in the globally recognized ecosystems of biodiversity importance, i.e. the southern Namib center of endemism in the Sperrgebiet (covering almost the entire Succulent Karoo Biome), the coastal wetlands around urban settlements and the nearshore islands around Luderitz.

Despite NACOMA's success in setting the initial stages for a strong policy and governance of the coastal marine ecosystems and increasing protection of coastal biodiversity described earlier, the majority of threats and pressures on coastal resources from burgeoning coastal development and industry continue to increase and intensify.

Under the baseline scenario, in the absence of GEF funding, the growing economic development and human activities along the coast and in the marine environment might lead to unprecedented migration, bringing with it uncontrolled urban development that results in overuse and pollution of freshwater resources, an increase in industrial coastal and marine pollution, unsustainable agricultural practices and worsening of water regimes for coastal wetlands, other land and water degradation. The National Policy for Coastal Management (NPCM) was passed thank to NACOMA. If the NPCM is not supported in its implementation during the next critical years, this could lead to a development approach that threatens ecosystem integrity, biodiversity conservation and functioning in the coastal ecosystems. The lack of a good accounting system valuing Namibia's natural capital could lead to development decisions that do not acknowledge that coastal and terrestrial ecosystems provide services such as provision of food, tourism/recreation, flood attenuation and replenishment of groundwater.

Unsustainable development could increase the stresses on ecosystem services, increase carbon emission through deforestation and fires and these in turn may affect the natural habitats as well as the human populations both directly (flooding, coastal erosion, impact on harbors etc.) as well as indirectly through coastal and terrestrial ecosystem changes (changes in fish populations and productivity impacting on the fishing industry as well as coastal biodiversity including endangered seabirds).

Also the insufficient recognition of the importance of ecosystems and biodiversity to provide multiple benefits to support local livelihoods and enhance ecological integrity, are serious barriers to overcome degradation drivers and trends that undermine the natural resource base in the Namibian coast. Development strategies will continue to erode the fragile natural resource base that sustains local livelihoods. Without GEF's intervention, current management approaches and investments will not be able to optimize the provision of multiple benefits and target critical areas for improved land-use and protection of high biodiversity values.

Furthermore, without GEF, the development paradigm of the coast would not be able to redirect investments, mainstream conservation through reformed policies, or gain better access to global financial mechanisms to provide positive incentives for a greener economy that takes into account externalities and encourages a sustainable management in the wider landscape. While efforts are underway to reduce the depletion of the natural resource base by redirecting investments, the enabling conditions for sustainably ensuring the stability of ecosystems and biodiversity is not in place yet. Thus, the additional finance faces a setting where political, institutional and knowledge barriers discourage biodiversity conservation, land base mitigation strategies and rehabilitation strategies.

The NACOMA funding is critical to influence how policies and investments that will happen on the coast are incorporating the values of biodiversity and ecosystems, stop land degradation and enhance the multiple values of functioning ecosystems. It is predicted that without additional GEF support to build on the key achievements of NACOMA and address key gaps, the coastal zone, its associated biodiversity and fragile arid ecosystems, will rapidly deteriorate in the face of enormous and wide-ranging pressures. Policy implementation and the establishment of adequate institutional and legal mechanisms will be limited resulting in a lack of a coherent enabling framework for coastal governance and poor integration among relevant line ministries and stakeholders. In addition, the momentum towards decentralization of environmental governance will likely drop, thereby further weakening regional and local government capacity for coastal management and reducing the potential social and economic opportunities offered through proper governance of these areas and resources.

Without NACOMA's additional support it is unlikely that the proposed environmental planning function at the coastal Regional Council level will be formalized and filled in the short-term. Thus, cost-effective replication benefits for this function in other regions throughout the country would not occur.

Over the three year additional funding period, the total expenditures associated with the Baseline Scenario are estimated at US\$ 5.8 million.

The domestic and global benefits under the baseline scenario focus on the basic maintenance of coastal ecosystems through limited-, unmainstreamed- and uncoordinated environmental planning and management, principally at local, and only to a limited extent - regional, national, or even sub-regional levels. The baseline would confer decreasing global benefits 'through limited- and insufficient protection to a number of sites with a biodiversity conservation value.

B. 2. [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 detailed incremental cost analysis is included as Annex H of this CEO Memo

B.3. 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). As a background information, read [Mainstreaming Gender at the GEF.](#)":

The project will support implementation of the NPCM, which outlines a vision for equitable and sustainable development, and utilization of Namibia’s coastal resources. The policy contains a number of objectives to ensure that the benefits of the goods and services provided by Namibia’s coastal ecosystems are appropriately managed for current and future generations. Goal 3 of the NPCM is promoting sustainable economic, social and cultural opportunities which will be achieved through improving education, awareness and capacity building for coastal governance, facilitation of access to economic opportunities, prioritisation of social responsibility and youth development and improvement of environmental health and well-being of coastal inhabitants. The original NACOMA project has supported skill improvement training in natural resources management as well as small community enterprises through the matching grants program. Local stakeholders include fishermen, fishing communities, farmers, tourism operators and wildlife management. To date, 18,975 individuals benefitted from the project. The additional financing includes more matching grants that will benefit the communities living near the parks. These matching grants will finance (i) targeted support for sustainable action plans for communities near the protected areas, particularly to support land rehabilitation, (ii) the participation of communities in local and regional councils which will allow for structured, local participation in decision making related to protected areas and other aspects of the project; (iii) small enterprises for fishing, tourism and wildlife management. The gender dimension is an essential part of the implementation of these matching grants.

B.4 Indicate risks, including climate change risks that might prevent the project objectives from being achieved, and if possible, propose measures that address these risks to be further developed during the project design:

The project has developed an Operational Risk Assessment Framework (ORAF) which is the detailed risk analysis (Annex 2 of the Additional Financing document).

Approving the NPCM by Cabinet which has proven to be a very slow process, was identified as a risk factor all along the implementation of the on-going project. The reasons for the delays were the long participatory processes required to agree on the Green and White Paper; and to the fact that the Climate Change Policy was of a higher priority last year due to the flooding in the north and COP 17. In November 2011, MET finalized and launched the National Climate Change Policy (NCCP) that will support actions to reduce the vulnerability of Namibians and various sectors to the impacts of climate change and build capacities at all levels for implementation of climate change response activities. After the NCCP was passed, MET focused on NPCM. The NPCM was approved on September 13, 2012 and will promote integrated and cooperative coastal governance. The NPCM outlines a vision for the coast that prioritizes sustainable development of coastal areas through equitable and integrated coastal management that balances conservation and economic development. This risk no longer exists.

RISK	LEVEL	MITIGATION MEASURES
Competing expectations and resources use conflicts among the main stakeholders of Namibian coast slow down some project activities.	Moderate	The mitigation measure to reduce this risk is firstly the strong policy that was developed under NACOMA and will now be implemented by putting in place specific legislations, incentive programs and enforcement. Secondly, the participatory nature of the project will ensure that all views are discussed and that rational decisions abiding to the policy are taken. The achievements of the NACOMA project in facilitating the mainstreaming of biodiversity into extractive

		industries and in coordinating different coastal resource users thus far provides a useful platform on which to continue appropriate coastal planning and development. New studies that calculate the economic benefits of natural capital and associated development trade off offered by competing land uses will better inform decision making.
Risk of government priorities changing during project implementation undermining the project impacts.	Moderate	<p>The National Policy for Coastal Management was developed under NACOMA through a open and transparent participatory process with many stakeholders. This built a strong political constituency towards the NPCM and will ensure that any government changes do not affect the main decisions of the NPCM.</p> <p>Also while the NACOMA team is very enthusiastic and capable to steer many actions for good environmental coastal governance, they don't have an authoritative function yet. Thus, ensuring that the institutional arrangements for coastal governance are agreed upon and implemented will be a key factor for the success of the project. The other activities proposed such as strengthening the management of protected areas do not pose any significant risk as these are activities that the Namibian government and the NACOMA team have good experience with.</p>
Implementing an integrated governance approach and establishing the necessary collaborative arrangements among the different levels and sectors may represent a risk to project implementation.	Moderate	This risk may be reduced through continued support to the momentum built by NACOMA to maintain and grow the political will and government awareness and ownership of coastal management activities and to strengthen institutions for effective coastal governance.
The small size and flat structure of the NACOMA project coordination office, combined with specialized staff that has worked on coastal and marine issues for a decade, may lead to difficulties if key staff leaves and in finding appropriate replacement.	Low	On the short term, salaries are competitive and working conditions are attractive. Staff is very motivated to be making a difference on such important ecosystems of Namibia. This Governance structure will further address the risk of poor and weak human resources available to lead the NPCM implementation process.

B.5. Identify key stakeholders involved in the project including the private sector, civil society organizations, local and indigenous communities, and their respective roles, as applicable:

Experience from the NACOMA project has shown the need for and value of highly participatory coastal management processes. Stakeholders of the project range from government agencies, the private sector, civil

society, the research community, non-governmental organizations and local communities. The development of the additional financing followed a similarly participatory consultative process as the implementation of NACOMA.

All relevant stakeholders and line ministries, local and regional authority representatives from Coastal Tourism Association of Namibia (CTAN), Fishing Industry, Uranium Institute, Chamber of Mines, Topnaar Community and environmental NGOs were involved in consultations. These consultations were initiated during the PIF formulation and continued during preparation. NACOMA organized the Contingency Management Committee (CMC) of the Dunebelt, the Integrated Coastal Zone Management Committee (ICZMC), the Park Consultative Forum (PCF), the DNP Consultative Forum (PCF), the Steering Committee (SC) as well as a dedicated multi-stakeholder participatory workshop process on April 8, 2011 which served to obtain feedback from stakeholders on the strengths and successes of the existing NACOMA project as well as the priorities and opportunities for improved coastal governance to be supported through additional financing. On April 3-4, 2012, a World Bank mission participated in a meeting of the NACOMA Steering Committee and a second meeting of the ICZM Committee to discuss the activities to be financed under the additional financing of NACOMA.

Based on ongoing efforts towards decentralization, and the key role of Regional Councils in existing coastal management activities in Namibia, the Regional and Local authorities have had and will continue to play a critical role in the successful implementation of the project objectives.

The private sector, including the mining and mineral exploitation industry, tourism operators and fisheries, has potentially significant negative impacts on coastal and marine ecosystem health. Involvement of these sectors in the project is central to achieving long-term sustainable coastal development.

The research and NGO communities play an important role in monitoring ecosystem health and ensuring equitable coastal development.

Local communities and coastal inhabitants are the primary managers and beneficiaries of improved coastal resource management and are therefore key stakeholders in the project.

B.6. Explain how cost-effectiveness is reflected in the project design:

Overall performance regarding outcome and implementation of the on-going project over the last 24 months as rated in the Implementation Status Report (ISR) is rated as “Satisfactory”. Processing this additional GEF grant to an already well performing project will bring procedural and other cost-effectiveness gains for the recipient compared to processing a new operation. The activities under the additional finance have been accommodated within the structure of the ongoing project. Implementation will rely on the recipient’s existing capacity and existing project arrangements. The institutional, financial and procurement arrangements will follow the same procedures as the ongoing project. Also, the additional activities will not raise the environment and social categories of the original project or trigger any new safeguard policies. Several changes to the project’s key performance indicators are proposed for the original project to reflect the Bank’s core indicators and new activities.

B.7. Outline the coordination with other related initiatives:

Given that large areas of the coastal regions are under some form of protection, the MET is the key National ministry mandated as the custodian of protected area management in Namibia. The DEA is the lead Directorate in the NACOMA project. The integrated nature of coastal governance calls for close collaboration among a wide range of other line ministries and their respective directorates. The Ministry of Regional and Local Government, Housing and Rural Development (MRLGHRD) and the Ministry of Fisheries and Marine Resources (MFMR) are particularly key partners in implementing the coastal governance framework at all levels of government. Other relevant ministries include: Ministry of Mines and Energy (MME), National Planning Commission (NPC), Ministry of Lands and Resettlement (MLR), Ministry of Agriculture, Water and Forestry (MAWF), Ministry of Works and Transport (MWT), Ministry of Safety and Security (MSS), Ministry of Defense (MoD), Ministry of Justice (MoJ), and Ministry of Education and Culture (MEC) among others. Parastatals including NamPower, NamWater, NamPort, Roads Authority, Namibian Wildlife Resorts will also be critical partners who have key roles to play in

the sustainable development of the coastal regions.

On-going projects that have bearing on this initiative include: i) The Benguela Current Commission Strategic Action Plan Implementation (BCC SAP IMP) which is addressing some of Namibia's key marine-related issues and will be an important partner; ii) Strengthening Protected Areas Network (SPAN), which is improving institutional capacities, planning and enforcement and revenue generation potential in State Protected Areas; iii) Namibia Integrated Community-Based ecosystem management (ICEMA), which aims to develop and enhance community-based ecosystem management for the benefit of rural people, biodiversity conservation and sustainable land use and supports CBNRM activities; iv) The Millennium Challenge Account Namibia (MCA, Namibia) which is investing US\$ 66.96 million for tourism projects. The money will be invested in the tourism marketing by the Namibia Tourism Board (NTB); infrastructure development in Etosha National Park and support to about 31 conservancies; v) CPP Program that is addressing land degradation in efforts to implement the UN Convention to Combat Desertification (UNCCD); vi) Biodiversity and Sustainable Land Management (BSLM) project that aims to strengthen MET's technical and management capacities and to ensure the promotion of sustainable management of natural resources; vii) Strengthening Capacity Enhancement to Implement the Global Environmental Conventions in Namibia (CEGEM) which is aiming at mainstreaming environmental management issues into national development programs and to integrate the implementation of the Rio Conventions on Climate Change, Biodiversity and Land Degradation; and viii) Protected Landscape Conservation Areas Initiative (NAM PLACE) which is aiming to protect landscape conservation areas and to sustain the viability of wildlife populations.

Coordination of these related initiatives is done through the Integrated Coastal Zone Management Committee (ICZMC) which is regionally-driven and support enhanced vertical and horizontal coordination and balanced representation of all stakeholders. Coordination is also done through the MET DEA Forum Platform (FP) through monthly reports and updates from project managers, webpage information (MET and NACOMA), joint information events UNDP/SPA, communication campaign and agency contact.

C. GEF AGENCY INFORMATION:

C.1 Confirm the co-financing amount the GEF agency brings to the project:

The project is not bringing direct funding from the GEF agency, however the WB is engaged in activities mentioned above that are related to this project.

C.2 How does the project fit into the GEF agency's program (reflected in documents such as UNDAF, CAS, etc.) and staff capacity in the country to follow up project implementation:

The proposed project is closely aligned with the WB's program in Namibia. Support to the GRN on environment is, along with education, listed as the top priority in the Interim Strategy Note (the document that currently guides WB engagement with Namibia) and is expected to remain so in the updated strategy paper that is being prepared to coincide with NDP4. Technical assistance on natural resource management, water conservation, energy, and climate change claim the major share of and financial resources the WB has allocated to Namibia in recent years. This emphasis reflects the centrality of environmental sustainability for Namibia's economic development. All major sources of economic growth and livelihood directly use the country's biodiversity, natural resources, and services of the environment, and are vulnerable to climate change. Realizing the aspirations of Vision 2030 will require increased attention to a greening of the economy.

In December 2010 the WB placed a country economist in Namibia to strengthen the dialogue on economic policy (including a growing engagement on tourism, transport and logistics, and green economy) and to support the overall WB program in the country. In addition, the project will receive the support of Claudia Sobrevila as biodiversity specialist that will also cover land degradation, Glenn Marie Lange as an environmental economist. The WB program in Namibia includes the OP 12 ICEMA project (ICR being drafted), NACOMA project (ongoing), Public Environmental Expenditure Review for MET (completed), Climate change adaptation study (a Technical Assistance grant to MET); Tourism sector review (ongoing) and the WAVES Bank initiative will develop a pilot environmental economic assessment.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

Ministry of Environment and Tourism (MET) responsibilities: The MET will be the lead agency which will have the overall responsibility over the project. It will be responsible for the monitoring and evaluation of: project implementation performance; progress of investment activities; compliance with procurement and disbursement procedures; progress towards the Project Development Objective (PDO); legal and policy endorsement and enactment; and coordination and progress of cross-sectoral cooperation. The Environmental Commissioner will be the MET Focal Point and the PCO will report to him. The Environmental Commissioner will communicate necessary information to MET PS and Minister in addition to his participation in the SC.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

The implementation arrangements will remain the same as in the original project. The Project Coordination Unit will report directly to the Environment Commissioner of the Ministry of Environment and Tourism.

The Project Coordination Office (PCO): The PCO will work as the project implementation support team. Its mandate will be to implement project activities under the supervision of the SC and ICZMC. The PCO will consist of the following staff members: one full-time Project Coordinator, one full-time Senior Technical Advisor, one full-time Project Assistant, one full-time Monitoring & Technical Specialist and one full-time Procurement / Accountant Specialist.

The Steering Committee (SC): The SC is a high level executive committee responsible for overseeing project implementation and for providing strategic leadership for the implementation of NPCM and enabling legislation. It will meet at least four times every year. Members of the SC will be representatives from the LMs and RCs.

The Integrated Coastal Zone Management Committee (ICZMC): The ICZMC will be a supervisory body that will be regionally focused, which will support the project with decision making on issues related to project implementation. It will meet twice a year. It will have a broad flexible structure to ensure responsiveness to local priorities, different stakeholder groups and emerging issues.

The ICZM Scientific Group (SG): The independent Scientific Group will provide high-quality scientific and other data to create a common platform for decision-making by channeling scientific input through existing structures as far possible. The SG group will be formally constituted and will meet when needed.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF

The proposed GEF project overall remains aligned with the original PIF. There have been some changes to the project design since the PIF was prepared and submitted in February 2012 all of which have been undertaken to improve the project efficiency and effectiveness without losing the overall outcomes of the project. These are highlighted below:

Decision was made to process this project as an additional financing operation to the ongoing NACOMA project.

The World Bank has a procedure called “additional financing” that is recommended when on-going projects have performed satisfactorily and when the additional financing will be used to consolidate the results of the on-going project. The GEF PIF approved a grant of \$ 1.9 million dollar. Originally, when the PIF was submitted a climate change component would have been part of the PIF and the financing would have been \$ 3.9 million. When the decision was made by the GEF Secretariat to drop the climate change component, the Bank management suggested that the project diminished size and the scope changed, it would be more cost effective to process the new grant through an additional financing operation. Most of the features of the original project have been maintained including the PDO and GEO, the project’s components and most indicators.

Project Components and Costs

The additional financing will support the same three basic components and a coordination component of the original project components. To align with the original project the components as approved in the PIF have been adjusted. The PIF had lumped together component 1 and 2 into one component while component 3 remains the same. This has no implication on the results/outputs of the project.

At PIF	Cost At PIF	At CEO endorsement	Cost At CEO endorsement	Justification
<p>1. Policy Implementation and Advocacy</p> <p>BD: 165,000 LD: 120,000</p> <p>Outcome: NCP implementation strategy developed, including institutional arrangements and enabling legislation</p> <p>Greater harmonisation of sectoral policies, legislation and plans with ICZM approach</p>	<p>GEF: 285,000 Cofin: 970,000</p>	<p>1. Legal, Institutional, Policy and Planning Framework for Integrated Coastal Zone</p> <p>BD: 230,000 LD: 50,000</p> <p>Outcome: Increase in the number of national, regional and local plans and strategies that incorporate biodiversity issues</p>	<p>GEF: 280,000 Cofin: 1,090,000</p>	<p>Component 1 split into two to align with the original NACOMA project structure</p> <p>Change in Title in order to maintain the original title and be able to process the project within the Bank as an additional financing operation.</p>
<p>Increased awareness and advocacy among all stakeholders of the importance of safeguarding the coastal and marine ecosystems, of SLM and ICZM approaches</p>		<p>2. Targeted Capacity-Building for Integrated Coastal Zone</p> <p>BD: 171,700 LD: 40,000</p> <p>Outcome: Increase in the number of people engaged in sustainable land use activities supported by the project.</p>	<p>GEF: 211,700 Cofin: 972,000</p>	<p>This is a new component derived from splitting component 1 of the PIF and maintain the original structure.</p> <p>Change in Title in order to maintain the original title and be able to process the project within the Bank as additional financing operation.</p>
<p>2. Coastal and Marine Investments both within and outside of Coastal/Marine Protected Areas (PAs)</p> <p>BD: 935,700 LD: 628,700</p> <p>Outcome: Improved</p>		<p>3. Targeted Investments in Critical Ecosystems for Biodiversity Conservation and Sustainable Use</p> <p>BD: 666,000 LD: 674,000</p>	<p>GEF: 1,340,000 Cofin: 2,910,000</p>	<p>Change in Title in order to maintain the original title and be able to process the project within the Bank as additional financing.</p>

<p>management effectiveness of two existing marine and coastal PAs [score for two protected area covering coastal and marine (811,000 ha + 500 ha) increased by 20% as recorded by the METT].</p> <p>Increased revenue for one coastal and marine PA that is sufficient to meet management requirements [Funding gap for management of one coastal and marine PA (811,000 ha) decreased as recorded by protected area financing scorecard]</p> <p>Marine and coastal ecosystems around PAs under good management practices and SLM techniques</p>		<p>Outcome: Increase in km2 and number of terrestrial and marine ecosystems of biodiversity importance legally protected</p> <p>Increase in score of management effectiveness for 2 PAs (869,874 ha and 500 ha)</p> <p>Increase in the number of people engaged in sustainable land use activities supported by the project</p>		
3. Project Management	GEF: 93,300 Cofin: 900,000	4. Project Management	GEF: 93,300 Cofin: 900,000	No change in scope or cost

Project objective and indicators:

It should be clarified that there is a requirement for additional financing operations to be aligned in structure to the original project. In that context, the PDO approved in the PIF which was *“To contribute to the conservation and management of coastal and marine ecosystems in the Namibian coast through an integrated coastal zone management (ICZM) approach”* has changed to continue using the PDO of the original project that is still relevant. The PDO is *“strengthen conservation, sustainable use and mainstreaming of biodiversity in coastal and marine ecosystems in Namibia”*, which is now applicable to the proposed GEF project. The results framework for the additional financing has been prepared and is included as Annex A to the CEO memo. The outcome indicators have been modified to ensure that they are following new Bank requirements for outcome indicators. The following table shows the changed to the outcome indicators and the target values.

<i>Original Indicator</i>	<i>Original target</i>	<i>Changes with AF</i>	<i>Revised target</i>	<i>Comments</i>
PDO1 Increase in km2 and number of terrestrial and marine ecosystems of biodiversity importance under effective management by year 5 compared to baseline situation	100,103 km2 increased from 0 (10,010,300 ha) 5 PAs	PDO1 Increase in km2 and number of terrestrial and marine ecosystems of biodiversity importance legally protected.	10,010,300 ha 5 PAs	Indicator was rephrased. It measured 2 outcomes: the proclamation of new areas (increase of Km2) and the improved management which is now the second PDO. Also unit was changed from km2 to ha as it is the standard measurement that GEF uses.
NEW	N/A	PDO 2 Increase in score of management effectiveness for 2 PAs	869,874 ha (DNP) 500 ha	This new target is a subset of the first PDO in line with the GEF PIF

			(NIMPA)	approved for the additional finance
PDO2 Increase in the number of people engaged in sustainable use activities and the proportion of their income derived from these studies by year 5 compared to baseline situation	18,975	PDO3 Increase in the number of people engaged in sustainable use activities supported by the project.	21,975	Indicator was unclear as it measured 2 outcomes, one is the increase in number of people and two is the proportion of income. The second one was hard to measure and not meaningful so it was eliminated.
PDO 3 Coastal biodiversity related aspects better incorporated into planning, policy, institutions and investments at national, regional and local levels by year 5 compared to baseline situation	47 ⁶	PDO 4 Increase in the number of national, regional and local plans and strategies that incorporate biodiversity issues	53	This indicator was unclear and was simplified.
NEW	N/A	PDO 5. Direct project beneficiaries and Female beneficiaries	25,000 of which 50% are female	The Bank new Results Framework template requires using this standard indicator.

Co-financing: At the PIF stage, several government agencies, private donor and GIZ were listed as co-financing institutions. Since the PIF stage, the Ministry of Environment and Tourism (MET) indicated a preference to take responsibility for the co-financing and coordinate the various contributors. So, MET is presented as the sole financier at the CEO endorsement stage. However, this does not imply that the private sector or others agencies are no longer co-financing the project. Until the project is implemented it is not possible to define specifically the contributions of each donor to the project. The stakeholders of the project that will likely contribute are listed in the ICZMC that is composed of: (i) regional councils of Kunene, Erongo, Hardap and Karas; (ii) coastal focal points from MET, MRLGHRD, MFMR, MME, MAWF, MWTC; (iii) coastal local authority representatives from Swakopmund, Walvis Bay, Henties Bay and Luderitz; (iv) non-institutional stakeholders including non-governmental organizations, community-based organizations and the private sector; and (v) co-opted entities. MET will ensure that all the key partners support the implementation of NACOMA. MET will provide regular reports on their own contribution as well as any other partners that finalize their commitments to NACOMA activities.

⁶ This number is taking into account the national, regional and local plans and strategies supported by the project that promote environmental and integrated coastal zone management approaches (18 national, 16 regional and 13 local plans or strategies).

PART V: 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 template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)
Mr. Teofilus NGHITILA	Director Environmental Affairs	MINISTRY OF ENVIRONMENT AND TOURISM	08/15/2011

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
Karin Shepardson, GEF Agency Executive Coordinator		10/16/2012	Paola Agostini, Regional Coordinator, Africa Region	202-473-7620	Pagostini@worldbank.org

List of Annexes

Annex A	Project Results Framework
Annex B	Responses to project reviews
Annex C	Consultants to be Hired for the project
Annex D	Status of Implementation of the PPG
Annex E	Calendar of Expected flows – Non applicable
Annex F	Project Description Summary
Annex G	Protected Areas to be supported and SLM Techniques to be used under the project (maps)
Annex H	Incremental cost Analysis

ANNEX A: PROJECT RESULTS FRAMEWORK

PDO Level Results Indicators ⁷	Core	UOM ⁸	Baseline Original Project Start 2005	Progress To Date (2012) ⁹	Cumulative Target Values ¹⁰			Frequency	Data Source/ Methodology	Responsibility for Data Collection	Comments
					2013	2014	2015				
1. Increase in km2 and number of terrestrial and marine ecosystems of biodiversity importance legally protected	<input type="checkbox"/>	Hectares	0	10,010,300			10,010,300	At end of project	Decree	NACOMA	
2. Increase in score of management effectiveness for 2 PAs (869,874 ha and 500 ha)	<input type="checkbox"/>	Number	0	40			70	At end of project	Tracking Tool (METT) Score for Dorob National Park and NIMPA	NACOMA	
3. Increase in the number of people engaged in sustainable land use activities supported by the project.		Number		18,975			21,975	Annually	NACOMA statistics	NACOMA	
4. Increase in the number of national, regional and local plans and strategies that incorporate biodiversity issues		Number	0	47			53	Annually	NACOMA statistics	NACOMA	
<u>Beneficiaries</u> ¹¹											

⁷Please indicate whether the indicator is a Core Sector Indicator (for additional guidance – please see <http://coreindicators>).

⁸ UOM = Unit of Measurement.

⁹For new indicators introduced as part of the additional financing, the progress to date column is used to reflect the baseline value.

¹⁰Target values should be entered for the years data will be available, not necessarily annually. Target values should normally be cumulative. If targets refer to annual values, please indicate this in the indicator name and in the “Comments” column.

Number	0	21,000			25,000	Annually	NACOMA statistics	NACOMA	
Number		50%			50%	Annually	NACOMA statistics	NACOMA	

Intermediate Results and Indicators

Core	Unit of Measurement	Baseline Original Project Start (200x)	Progress To Date (2012)	Target Values			Frequency	Data Source/ Methodology	Responsibility for Data Collection	Comments
				2013	2014	2015				

Legal, Institutional, Policy and Planning Framework for Integrated Coastal Zone Management

<input type="checkbox"/>	Yes/No	No	No			Yes	Annually	Activity report	NACOMA	
<input type="checkbox"/>	Yes/No	No	No			Yes	Annually	Activity report	NACOMA	
<input type="checkbox"/>	Number	0	0			2	Annually	Activity report	NACOMA	
<input type="checkbox"/>	Number	0	0			1	Annually	Activity report	NACOMA	

Capacity-Building for Integrated Coastal Zone Management Completed

<input type="checkbox"/>	Number	0	0			200	Annually	Training reports	NACOMA	
--------------------------	--------	---	---	--	--	-----	----------	------------------	--------	--

aged to identify and measure the number of project beneficiaries. The adoption and reporting on this indicator is required for

Intermediate Results and Indicators

Intermediate Results Indicators	Core	Unit of Measurement	Baseline Original Project Start (200x)	Progress To Date (2012)	Target Values			Frequency	Data Source/ Methodology	Responsibility for Data Collection	Comments
					2013	2014	2015				
NPCM											
6. Number of awareness, communications and environmental education activities	<input type="checkbox"/>	Number	0	0			30	Annually	Communications reports	NACOMA	
Intermediate Result 3: Targeted Investments in Critical Ecosystems for Biodiversity Conservation and Sustainable Use Completed											
7. Number of investments in pilot areas covering 200,000 ha supporting the rehabilitation of land degradation and improving sustainable management	<input type="checkbox"/>	Number	0	0			7	Annually	Activity report	NACOMA	
8. Number of people trained in park management, patrolling, tourism management and EIA	<input type="checkbox"/>	Number	0	0			150	Annually	Training report	NACOMA	
9. Number of selected existing visitor centers refurbished	<input type="checkbox"/>	Number	0	0			3	Annually	Field inspection	NACOMA	
10. One integrated land use plan developed in the adjacent conservancies	<input type="checkbox"/>	Number	0	0			1	Annually	Activity report	NACOMA	
11. Sustainable financing plan for Dorob implemented	<input type="checkbox"/>	Number	0	0			1	Annually	Activity report	NACOMA	

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).

A. Responses to STAP Comments

Comment 1. STAP welcomes this project which is intended to consolidate the achievements of NACOMA (GEF ID 1505) and to elaborate the anticipated White Paper on Coastal Policy of Namibia into practical ICZM. STAP makes a number of recommendations for improvements and clarifications to the project concept below that STAP requires be built on during formulation of the full project brief. The primary deficit is the lack of a clear justification for the project in terms of Global Environmental Benefits (GEBs). Achievement of an ICZM framed policy is an asset, however, GEF relevant verifiable targets appear to be missing with regard to the application of ICZM.

Response: (This has been addressed in the Annex on Incremental Cost Analysis (ANNEX 3 of the AF paper and Annex H of the CEO endorsement Memo)

The ICZM has been defined as a continuous and dynamic process that unites government and the community, science and management, sectoral and public interests in preparing and implementing an integrated plan for the protection and development of coastal and terrestrial ecosystems and resources in the Namibian coast.” The goal of ICZM is to improve the quality of life of human communities which depend on coastal resources while maintaining the biological diversity and productivity of coastal ecosystems. ICZM strives to overcome fragmentation and jurisdictional splits and overlaps inherent to the historical sectoral management approach. Appropriate institutional arrangements with particular focus on promoting intersectoral and interagency co-ordination at all levels of government are put in place. Mechanisms for involving stakeholders are also important to ensure that coastal communities and other stakeholders are involved in planning and decision-making. Furthermore it requires an adaptive management approach i.e., management that is flexible and can adapt with changing situations and acquisition of knowledge and experience. ICZM is therefore regarded as an approach for the 21st century as it treats the seaward extent and the landward extent of the coastal zone as a single interacting unit, hence ‘unitary’ management or integrated management.

The recently approved National Policy on Coastal Management for Namibia includes the ICZM approach as the framework for strengthening governance of the Namibian coast. This policy makes provision for the development of an ICZM Act, whose implementation will be overseen by an independent Coastal Management Authority (CMA). So, the additional financing will be key to enacting the ICZM. This CMA is needed because of the cross-cutting nature of ICZM issues. The CMA will pull together multiple stakeholders, harmonize overlapping mandates and responsibilities, and for protection of coastal and terrestrial ecosystems and resources in a consultative manner. The CMA will have an independent board of directors that will be established by the Integrated Coastal Management Act.

The global environmental benefits of this additional financing is to support the enabling legislation of the NPCM which includes the enacting of the ICZM and disseminate and incorporate the integrated coastal management approach mandated in the NPCM in development activities. In addition, the additional financing will support the effective management of several protected areas (869,874 ha terrestrial and 500 ha marine PAs) and will support on the ground activities in the newly established parks and buffer areas that will address land degradation issues in the coast.

Comment 2. In general ICZM is a well understood concept and the Green Paper for the Coastal Policy of Namibia (2009) referred to in the PIF references a number of useful and relevant sources. The process of developing ownership for the regulations and criteria for enforcement in any particular country is however a sensitive one, including the establishment and ownership of the state of the environment data and its interpretation. STAP notes and welcomes the intention of the project to collaborate with the principal regional coastal body the Benguela Current Commission.

Response: STAP support is appreciated.

Comment 3. Component 1: Community-based stakeholders appear not to have been explicitly included in the design for the training or outreach activities of this enabling component, although in the project narrative there is mention of community participation but no clear mechanism stated to achieve this aim. (STAP recognizes the very low human population currently present in this zone, however this could change over time). In particular STAP recommends that the proposed best environmental practices guidelines be developed along strongly participatory lines in order to gain community ownership for the necessary monitoring and its underpinning science that will drive the development of the laws and enforcement regime flowing from policy adoption.

Response: This response is addressed in Annex F. The team fully agrees with STAP comment. The original NACOMA project has supported skill improvement training in natural resources management as well as small community enterprises through the matching grants program. Local stakeholders include fishermen, fishing communities, farmers, tourism operators and wildlife management. To date, 18,975 individuals benefitted from the project. The additional financing includes more matching grants that will benefit the communities living near the parks. These matching grants will finance (i) targeted support for sustainable action plans for communities near the protected areas, particularly to support land rehabilitation, (ii) the participation of communities in local and regional councils which will allow for structured, local participation in decision making related to protected areas and other aspects of the project and; (iii) small enterprises for fishing, tourism and wildlife management.

Comment 4. Component 2: While STAP welcomes the intention of the project to strengthen two protected areas and rehabilitate community lands, it is unclear what the replication potential of these investments will be. For the LD sub-component it is unclear what Global Environmental Benefits (GEBs) would result. STAP notes that some 200,000 ha of community land outside the protected area will be addressed for rehabilitation from land degradation, but no details are provided as to what will be done and how. It will be very important during project preparation to strategize carefully how this rehabilitation will proceed, what technologies will be applied and how local communities will be fully involved indecisions. There is a rich body of literature on the pitfalls and problems of dealing with common property resources in drylands (see in particular Elinor Ostrom). It will be essential to include best practice technologies, possibly using the WOCAT database, which highlights key issues such as costs and benefits of different approaches (see www.wocat.net)

Response: This response is addressed in Annex F. The Land degradation activities will be supported through the following key activities: a) One integrated land use plan developed in the adjacent conservancies, and b) matching grants in pilot areas covering 200,000 ha supporting the rehabilitation of land degradation and improving sustainable land management. These grants will be selected in the first year and will follow all the recommendations suggested by the STAP reviewer. Funding is limited to follow all the suggestions by the STAP reviewer, as only US\$ 760,000 are available from the Land Degradation focal area towards the project.

Comment 5. STAP also draws the project proponents attention to its advice provided to the recently launched GEF project (ID 3741) Namibia Protected Landscape Conservation Areas Initiative (NAM-PLACE). Both projects assume that communities will participate even though it is likely that opportunity costs are incurred by communities. Therefore it is important to specify the incentives available, including attention to land security within the communities targeted by the project. STAP therefore recommends close coordination with NAM-PLACE, which is cited in B6 of the PIF.

Response: Most of the communities that will be targeted by the additional financing are part of one of the 55 communal conservancies that the Namibian government has established to benefit communities to manage their own natural resources. The Bank has experience with the conservancies as it supported the ICEMA project a few years ago. Land security is not really an issue in Namibia given the establishment of these 55 conservancies over the past 20 years. The NACOMA team is working closely with the NAM-Place to ensure that there is no overlap between the two projects.

Comment 6. Component 3: Within this component STAP would expect to see details of the results indicators proposed. At present, across all components STAP cannot determine beyond the proposed protected area actions what GEBs are expected to result from the project and an M&E results framework which defines these is necessary.

Response: the Results framework and the M&E section are discussed in the Annex 1 of the AF project paper and in section H of the CEO endorsement.

B. Response to GEFSEC comments (Review Sheet of 4/27/12)

Please review the following items in the CEO Endorsement.

Comment 1. Did the Government provide permanent funding for the institutional structure for the National Coastal Policy? See Response to Comments in Revised PIF.

Response: The permanent funding for the institutional structure for the National Coastal Policy will be part of the outputs of this project. There are several mechanisms of how the Government of Namibia is showing increased interest and investments towards biodiversity conservation and improved environmental management that will be supporting NACOMA even after it ends. **One** is that there has been a positive trend under the NACOMA project where MET has increased their budget allocation to pay for the personnel staff of NACOMA. The MET has been financing the transition phase and supporting the management and administrative costs of the NACOMA Project Coordination Office from May 1, 2012 until May 1, 2013. In addition, the four Regional Councils that are part of the ICZM Committee have also agreed to pay the office rental of NACOMA until May 1, 2013 and provide operational support of up to N\$ 1.2 million (N\$300,000 for each Regional Council) for the same period. These funds have been critical to supporting the transition period between the original project and the additional finance. The government has indicated that it plans to secure permanent funding for the institutional structure for the Namibian coast. **Two**, the government has established the Environmental Investment Fund for Namibia (EIF). The government allocated N\$20 million for 2011 and 2012. The EIF is a transparent mechanism that would procure funds on an annual basis from conservation fees and levies. These funds will be used for making investments in the protection and management of the environment, promoting sustainable use of natural resources for economic development, and conserving biological diversity. Many of the NACOMA follow-up activities after the project ends could be financed from the EIF. **Three**, several NGOs and MET have made significant progress in the discussions to develop aggregate conservation offsets in Namibia that would lead to a national policy and a scheme to provide a stronger and transparent mechanism for the private companies particularly extractive industries to comply with environmental safeguards. This would provide the means for securing strategic and significant conservation funds for biodiversity conservation. **Fourth**, UNDP is preparing a GEF project whose aim is to strengthen the whole Financial Sustainability of Protected Area system of Namibia through improving current systems for revenue generation and the introduction of innovative revenue generation mechanisms. It is expected that this project will support financing recurrent costs of PAs including the two that were established under NACOMA (Dorob and NIMPA). The EIF and the aggregate conservation offsets will also very likely contribute to the long-term financing of PAs in Namibia.

Comment 2. A map with the areas of the project (Namibian coast and areas inland), the Protected Areas, and Pilot Areas (200,000 ha) where LD investments will take place.

Response: map is included as an attachment

Comment 3. Describe Activities to be carried out in Dorob National Park (810,000 ha) and NIMPA (500 ha), including Sustainable Financing Plans.

Response: The activities to be financed in the two park is described in Annex F of the CEO. One sustainable financing plan for Dorob was already delivered under the first NACOMA project. In this phase only the sustainable plan for NIMPA will be prepared.

Comment 4. Details on methodologies and lessons learned on restoration, EIA (mining, tourism, aquaculture and coastal and infrastructural development), and good management and technologies of SLM for the coast developed.

Response: Annex G presents the different SLM techniques that will be used under the project.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF/LDCF/SCCF/NPIF RESOURCES

<i>Position Titles</i>	<i>\$/ Person Week*</i>	<i>Estimated Person Weeks**</i>	<i>Tasks To Be Performed</i>
For Project Management			
Local			
Project Coordinator	850	82	Day to day project coordination, write TORs, supervise technical, administrative and financial activities, liaise with MET, WB and other donors, represent NACOMA in different national and international meetings
Justification for travel, if any: travel costs for the PCO team to visit the project sites, participate in meeting in the capital and for some key international meetings.			
For Technical Assistance			
Local			
Institutional Development Specialist	850	132	Develop proposal and implementation of the NPCM strategy
Monitoring and Evaluation Specialist	850	132	Monitor project implementation based on work plan, undertake continuous monitoring of progress indicators, provide technical assistance into yearly work planning, prepare and submit quarterly progress report to WB, update M& E manual, compile narrative for financial monitoring reports, review technical proposals and reports; and provide technical support with regard to project implementation.
Community Specialist	750	132	Develop matching grants feasibility proposals, follow-up on implementation and supervision
Land Management Specialist	750	132	Develop the integrate land use development plan for the conservancies adjacent to the two national parks
Environmental management specialist	850	132	Oversee the implementation of the Strategic Environmental Assessment

			(SEA) for the coastal areas of the Kunene, Erongo, Hardap & Karas regions; oversee the usage of the Decision Support Tool (DST); provide support in identifying and earmarking areas that are ecologically sensitive; support MET with the implementation of the Environmental Management Act (EMA); and support to the coastal local authorities in the implementation of the Environmental Management plans developed by NACOMA
Communications specialist	750	40	Prepare communication and awareness materials, website, and promotional documents for NACOMA
Justification for travel, if any: travel costs for the PCO team to visit the project sites, participate in meeting in the capital and for some key international meetings.			

* Provide dollar rate per person week. ** Total person weeks needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

N/A - NO PPG RESOURCES WERE USED FOR THIS PROJECT

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY:

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF/LDCF/SCCF/NPIF Amount (\$)</i>				<i>Cofinancing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
	(Select)					
Total		0	0	0	0	0

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: 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)

N/A

ANNEX F: PROJECT DESCRIPTION SUMMARY

The additional finance will support the same three basic components and a coordination component:

(a) Legal, Institutional, Policy and Planning Framework for Integrated Coastal Zone Management: This component supports strategic studies and consultations to support the implementation of the National Policy on Coastal Management (NPCM). This component will finance:

- i. Study and propose enabling legislation for NPCM as well as an options' paper for the NPCM governance and institutional arrangements. The associated participatory consultative process and documentation on the clarification of institutional mandates and enabling legislation of the NPCM will also be supported.
- ii. Preparation of new guidelines on how to prepare regional and local government land-use plans that incorporate the ICZM approach. At least two regional or local government land-use plans will be prepared using the guidelines. The NPCM has established the criteria to define and apply the IZCM approach, however it is critical for the project to apply the IZCM concept in land use and development plans within the regional, local and national government sectors.
- iii. Development and dissemination of methodologies and lessons learned on land rehabilitation, EIAs and good management for the coast that will also feed into the ensuing enabling ICZM legislation. This activity would develop best environmental practices guidelines to incorporate ICZM tools in the productive sector. Environmental Management Plans (EMPs) in coastal towns would be implemented in line with EMA and NPCM to control poor environmental management practices. Some of these towns are surrounded by PAs, hence the need for uniform improvement in environmental management.
- iv. Update the state of environment report, the regional Sector Environmental Assessments and sustainable development decision-making tools that incorporate economic valuations, mapping, GIS and environmental scenarios. The state of environment report would update regularly the biodiversity indicators for the coast.

(b) Targeted Capacity-Building for Integrated Coastal Zone Management: This component supports awareness raising and capacity building activities to promote an integrated coastal zone management approach in development activities. This component would finance the development of education materials and, communication and training programs for national, regional and local key policy and decision makers to implement the ICZM approach through NPCM. (ie. radio programs, press releases, documentaries, expos, talks, etc..). It would also support the implementation of recommended activities proposed in the Communication and Awareness and, Training and Capacity Building consultancies carried out under the on-going NACOMA project.

(c) Targeted Investments in Critical Ecosystems for Biodiversity Conservation and Sustainable Use: This component supports two sub-components:

- (i) Implementation of the two newly created parks, Dorob National Park and NIMPA (Namibian Islands Marine Protected Area).

- a) Dorob: Support recommended key actions detailed in the Dorob Development plan. Specific activities include: support the sustainable financing plan of Dorob, refurbish visitor centers at Cape Cross and Ugab gate, production and dissemination of information materials, formulation and implementation of a park communications strategy, production of park information material such as pamphlets, brochures, regulations, visitor guide to the park; development of a park website with basic information on activities allowed, rules, permits forms, contact details; capacity building and training for MET park staff and Honorary Wardens on the regulations and uses, concessions.
- b) NIMPA: Activities include: update the NIMPA report (2009) which describes the baseline information for the MPA; collection of relevant information and prepare application forms to elevate the status of NIMPA to a World UNESCO cultural heritage site and Ramsar site; support a tourism plan for the newly established NIMPA and associated infrastructure such as visitor and viewing platform, an information kiosk, signage and equipments; support the research activities to improve management effectiveness identified in the NIMPA, Management and Development Plan. Support capacity building and training on MPA management to MFMR staff in the park Production and dissemination of information materials for NIMPA.

(ii) Rehabilitation of degraded areas: This sub-component would support rehabilitation activities and the development of an integrated land use plan of area surrounding Dorob National park that includes the Tsiseb Community Conservancy. This is an arid area with average annual rainfall of less than 100 mm. The whole area includes the Brandberg which is Namibia's highest mountain with an abundance of rock art including the famous White Lady, the Messum Crater, Ugab River and Omaruru River. The area receives many tourists every year which is attracted by the landscape features and wildlife. Major wildlife resources include Elephant, black rhino, leopard, cheetah, mountain zebra, kudu, gemsbok, ostrich, springbok, steenbok, black-backed jackal, and klipspringer. This area supports rare species such as Welwitschia and unique lichen species that are threatened by unsustainable tourism practices and extractive activities. It has been the area of the coast that has suffered from intense land and soil degradation from unsustainable activities. A map is included (Map 2). If the project does not intervene, the area will become even more depleted of these endangered species and lichens. The project will support targeted investments identified in the management plans completed under the first project, to support land restoration activities with the adjacent communities to the parks. Annex G shows the different SLM approaches that will be used under the project. The matching grants mechanism used in the first NACOMA project will be used and follow all the rules established in the project EMP to ensure that the activities are in line with the Bank's Safeguard Policies.

(d) Project Coordination and Reporting: This component supports the functioning of the Project Coordination Office (PCO). It will continue to support the day to day operation of a project implementation unit responsible for the following functions: a) administration; b) coordination; c) financial and audit management; d) procurement management; e) monitoring and evaluation; f) fundraising; and g) reporting.

ANNEX G: Protected Areas to be supported and SLM Techniques to be used under the project

A. The Dorob National Park (DNP) contains a large number of globally significant features. DNP is situated in the center of the Namib Desert, one of the oldest deserts in the world. The following are perhaps some of the most notable features related to biodiversity:

- A Ramsar site, being Walvis Bay.
- Four Important Bird Areas (IBAs), being Cape Cross Lagoons, Mile 4 Saltworks, 30 km Beach (Walvis Bay to Swakopmund) and Walvis Bay.
- Two Important Plant Areas (IPAs), being the Lichen fields in the vicinity of Swakopmund, Cape Cross and Wlotzkasbaken, and Messum Crater. An additional IPA occurs immediately adjacent to the northern parts of DNP, incorporating the northern escarpment zone and linking to the Etosha National Park.
- All the IPAs and IBAs also qualify as Key Biodiversity Areas, sites of global significance for biodiversity conservation, using global standard criteria and thresholds.
- Three significant ephemeral river systems drain westwards across the Park: The Kuiseb, Swakop-Khan and Omaruru Rivers.
- DNP contains a huge diversity of desert landscapes and scenery, habitats, biodiversity and, despite its fragility, a large number of economic opportunities if carefully planned and managed. The central Namib contains huge vistas over mainly gravel plains with inselbergs, which support plains game such as oryx, springbok and ostrich. This diversity offers huge potential for tourism routes from the south to the north within Namibia's desert biomes, both within and adjacent to DNP.
- The western border of DNP is on the coast, which is designated to become a Marine Protected Area with resident Bottlenosed Dolphin and Benguela endemic Heaviside's Dolphin population. Many larger whales pass through and feed in the Walvis Bay area.
- The Park's northern border is shared with the Skeleton Coast Park, while to the south it is continuous with the Namib Naukluft Park. The eastern border is shared with communal and freehold land, much of which comprises conservancies and private land managed for wildlife and tourism. This means that over 80% of DNP's eastern border is shared with neighbours practicing land uses that are both friendly and compatible to that of the Park. This offers huge opportunities for partnership and co-management.

The DNP falls within the central Namib hyper-arid Desert and Coastal Biomes. It is a particularly rich area and incorporates:

- A migratory bird flyway (sea and shorebirds) of global significance (Sandwich Harbour to Cape Cross Lagoons). Sandwich Harbour is a Ramsar site in the Namib Naukluft Park 25 kilometers south of the DNP boundary
- A high density of breeding sites for the breeding endemic and Near-Threatened Damara Terns (*Sterna balaenarum*) (>70% of the world population of Damara Terns breeds in the DNP)
- In the 2 IPAs mentioned above being the highest density distributions of lichens of over 100 different species some of which remain undescribed in various areas, and the significant populations of welwitschia plants in the Messum crater area.
- A coastal Dune Belt with unique endemic reptiles, beetles and spiders; extending from Dune 7 just north-east of Walvis Bay to the Swakop River, and covering an area of about 35 km by 4 km wide
- Gravel plains to the east of the dune belt and to the north of the Swakop River contain other richly endemic tenebrionid beetles

- Salt works at the head of the Walvis Bay lagoon, proclaimed as a private nature reserve and an integral part of the Ramsar site, and salt works at Mile 4 and Cape Cross
- One of the world's largest and most accessible Cape Fur Seal colonies at Cape Cross
- Urban and industrial areas, including sewage works, of Swakopmund and Walvis Bay important for resident and migratory birds.

The very rich archaeological and historical heritage of the central Namib, which presents valuable information about occupation of this area going back 700,000 years, has unique value.

B. The Namibian Islands' Marine Protected Area (NIMPA) is situated in the centre of the wind driven Benguela Current up-welling system and is one of only 4 eastern boundary current systems found on the planet. The concentration and retention of nutrients make it one of the most productive ecosystems in the world. This supports a host of fish assemblages and top predators such as sea birds and marine mammals. In addition, the coastline provides some important areas and nursery grounds for juvenile and larval stages of pelagic fish and rock lobsters. Breeding habitats for important marine mammals are located along the coastal areas. A number of islands, islets and rocks provide important breeding habitats and roosting grounds for a range of seabirds of high conservation importance. Spanning over 3 degrees of latitude and (400km x 30km) the NIMPA includes 11 natural islands as well as a number of rocks and islets extending from Hollamsbird Island in the north to Sinclair Island in the south. Zoogeographically, the islands fall into the "Namaqua south temperate zone", and many species in the intertidal and reef zones do not occur north of the NIMPA, including kelp, some molluscs and echinoderms. Typical of cold water habitats, the benthic species diversity is relatively low but densities are high. The most important benthic fauna is the Rock Lobster (*Jasius lalandii*) and prior to the NIMPA being proclaimed in 2009 there were two Rock Lobster sanctuaries to protect this valuable commercial resource. A line fish sanctuary also protected important surf zone species namely, Silver Kob (*Argyrosomus inodorus*) and West Coast Steenbras (*Lithognathus aureti*).

The large populations of seabirds off Namibia breed mainly in the NIMPA. Of the 14 seabird species breeding in Namibia, 11 breed on islands and inshore rocks, of these 9 are endemic to southern Africa, with only the Kelp Gull and White-breasted Cormorant being found outside that region.

The most seriously threatened seabird species in Namibia at present are African Penguins (*Spheniscus demersus*), Cape Gannets (*Morus capensis*) and Bank Cormorants (*Phalacrocorax neglectus*). NIMPA supports significant numbers of each of these three endangered species. Other important and specially protected species breeding in NIMPA include Crowned Cormorants (*Phalacrocorax coronatus*), Cape Cormorant (*Phalacrocorax capensis*), Damara Tern (*Sterna balaenarum*) and African Black Oystercatcher (*Haematopus moquini*). Other birds breeding in the NIMPA include Swift Terns (*Sterna bergii*), Hartlaub's Gull (*Larus hartlaubii*), Kelp Gull (*Larus dominicanus vetula*) and White-breasted Cormorants (*Phalacrocorax lucidus*). Cape Fur Seals in the NIMPA make up a small proportion of the Namibian population however despite the modest size they constitute a reservoir of animals for sealing on the mainland colonies. Out of 31 species of cetaceans occurring in Namibian waters, three species are relevant to the NIMPA as they make use of the coastal waters for breeding; Southern Right Whale (*Eubalaena australis*) and the Heaviside's Dolphin (*Cephalorhynchus heavisidii*); and as a migratory corridor namely the Humpback Whale (*Megaptera novaeangliae*). Other species are present regularly within the NIMPA, being the Dusky Dolphin, Minke Whale, Orca and the Southern Right Whale Dolphin.

The eastern boundary of the NIMPA borders a global biodiversity hotspot namely the succulent Karoo floral kingdom which is protected by the terrestrial park, the Sperrgebiet National Park proclaimed in 2008.

C.SLM Techniques for the project

SLM Techniques	Description	Suitable locations in Namibia (Region) ¹²	Benefit with regard to climate change	Short Term benefit Cost ratio	Long term Benefit-cost ratio
Land rehabilitation	<p>All sensitive areas will be identified (using a substrate penetrometer to measure sensitivity of soil surfaces). Upon identifying the sensitive areas, rehabilitation methods will be identified, after which the rehabilitation of all historic tracks (caused by uncontrolled tourism) will be conducted and improved from time to time.</p> <p>Efforts will be placed in the rehabilitation of the historic mined areas near the Kuiseb River</p>	Messum	This will stabilise the desert soil surface and prevent wind erosion	Neutral	Positive
	<p>Conversion of areas from one type of land use to another (particularly small scale agriculture). More Inaras can be planted in the Kuiseb river system.</p>	Kuiseb Delta	This will promote the use of best practices. It will also reduce flooding and prevent soil erosion	Positive	Positive
	<p>Assess the impacts of Roads Authority in the Dorob National Park.(+ rehabilitate)</p>	Kuiseb Delta	This will benefit the Topnaar community in terms of food base. It will also reduce river erosion.	Positive	Positive
	<p>Rehabilitation of selected mined areas using dollar bush and pencil bush from the fog belt area.</p>	Dorob National Park	Improve soil surface resilience	Positive	Positive
Land rehabilitation & restoration		Dorob National Park Skeleton Coast Park	The plants will act as carbon sink, will stabilize soil surface and will reduce soil and wind erosion	Positive	Very positive
Land conservation	<p>Regulation of tourism activities will contribute to land conservation. Desert tours and tours around the archaeological sites will be operated on rotational basis. Tour operators will have to change routes from time to time. This will be monitored to establish most sensitive areas may require total avoidance and be rezoned exclusionary.</p> <p>Embankment vegetated with Bokdoring (<i>Lycium sp.</i>) against sand dune movement.</p>	Dune belt between Swakopmund and Walvis Bay Kuiseb Delta	This will allow plant and animal regeneration and sound protection of archaeological sites	slightly positive	Very positive
		Erongo coastal areas around settlements	This will reduce the amount of dust storms by stabilizing the soil surfaces. It will also reduce the impacts of sand movement in productive areas	Positive	Positive

¹² This refers to the coastal zone of Namibia.

Map 1 – Target Areas

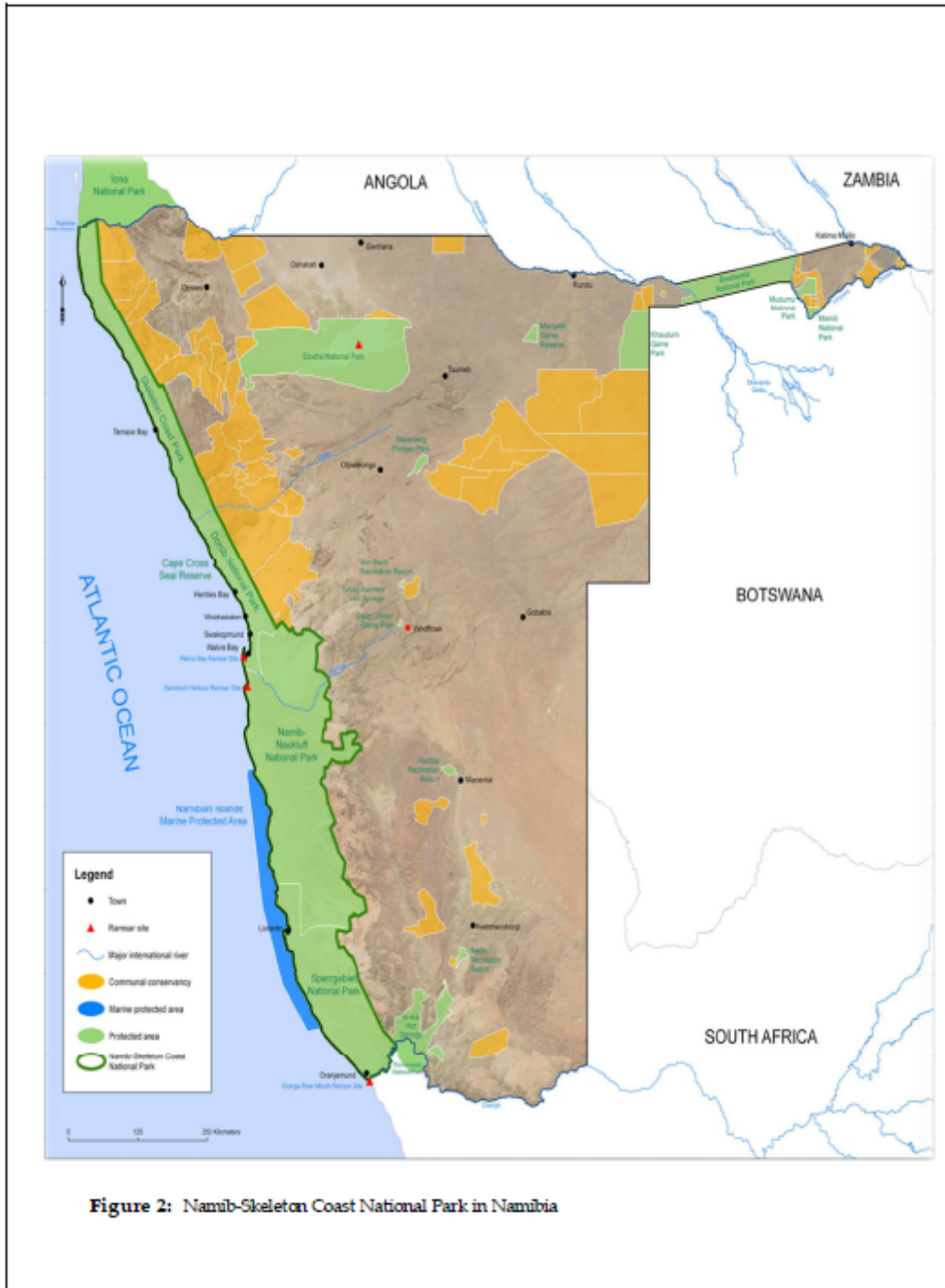


Figure 2: Namib-Skeletton Coast National Park in Namibia

MAP 2 – PROJECT

LEGEND MAP SHOWING AREA WHERE LAND DEGRADATION ACTIVITIES WILL TAKE PLACE



A. Background and Context

1. *Ecological importance of the Namibian Coast*

1. The Namibian coast, isolated between the ocean and the escarpment, is considered a constant island of aridity surrounded by a sea of climatic change, and, thus, has remained a relatively stable center for the evolution of desert species. Exceptional features of the Namibian coast at the ecosystem level include (i) a fog belt due to the cold marine upwelling along the coast on more than 180 days of the year (considered as the life-blood of the Namib Desert, providing enough moisture for a number of highly-adapted animal species to survive, and being an important factor for the remarkably high biodiversity); (ii) a climatic transition belt dividing the coastal area into a northern area which receives summer rainfall and a southern area which receives winter rain (the narrow strip of land within this transition belt is the most arid area in Southern Africa with a mean annual rainfall of 2 to 20 mm); and (iii) the Benguela Current Large Marine Ecosystem which has the highest primary production rates in the world, and one of the most important renewable natural resources of the country (shared with Angola and South Africa, the BCLME supports vast population of fish species and the inshore marine environment, and provides migration and nursery habitats for marine organisms). In summary, Namibia's coastal ecosystems harbor unique features and biodiversity in the form of endemic plants, invertebrates, amphibians, reptiles, mammals and birds - found in the globally recognized ecosystems of biodiversity importance, i.e. the southern Namib center of endemism in the Sperrgebiet (covering almost the entire Succulent Karoo Biome), the coastal wetlands around urban settlements and the nearshore islands around Luderitz (see Annex 20 for a map of the coast and Annex 17 for a description of the coastal ecosystems of biodiversity importance).

2. *Socio-economic importance of the Namibian coast*

2. The Namibian coast provides essential direct ecosystem services (i.e. consumptive use values such as harvesting and non-consumptives such as eco-tourism) as well as indirect ecosystem services (such as carbon sequestration). The direct ecosystem services and resources form the basis of the three main economic coastal sectors: fishing, including aqua- and mariculture, mining of diamonds and tourism. The fastest growing sector on the coast is the tourism industry, which is also expected to have multiplier effects in terms of employment creation, great contribution to total economic activities, rural development and poverty reduction. Farming or other agricultural activities are almost precluded as a livelihood option due to the hyper-arid ecosystem of the coastal desert. These sectors form the basis of the coast's significant economic growth and prominent industrial development. In addition, a high density of urban agglomerations with increasing populations demonstrates the importance of strategic development of Namibia's coastal area.

3. *Human pressure*

3. Over the past years, as the Namibian coast has been put under rising human-made pressure for resource-based economic and urban, there has been evidence that destruction of habitat and unsustainable harvesting of natural resources have increased, predominantly posing threats to biodiversity and, eventually, to economic development in coastal areas.

B. Scope of Analysis

4. The original NACOMA Project is widely recognized as having made significant contributions to conservation and sustainable utilization of natural resources along Namibia's coast in a very challenging context of competing demands on these resources and fragmented political authority to govern them. The NACOMA Project has succeeded in putting in place a basic legal and institutional structure for coast resource management -- the Skeleton Coast park, the national coastal management policy, procedures for coordinating actions across ministries, levels of government, and with the private sector. This structure is still quite new, however (e.g., the coastal management policy was only approved by the cabinet in September 2012) and the activities proposed under the additional financing are critically needed to ensure that the new laws, policies, institutions and parks are up in a strong start.
5. This additional finance will specifically support the enabling legislation of the NPCM and disseminate and incorporate the integrated coastal management approach mandated in the NPCM in development activities. In addition, the additional finance will support several protected areas (869,874 ha terrestrial and 500 ha marine PAs) and will support on the ground activities in the newly established parks and buffer areas.

C. Fit with GEF Strategic Priorities

6. The original project (NACOMA) is funded by \$ 4.9 million grant from the Global Environment Facility (GEF) of. The GEF Grant agreement was approved in August, 2005 and became effective in October, 2005. The project is closing in December 2012. This additional finance addresses multiple GEF Focal areas and presents a cross-cutting proposal that is consistent with the GEF Biodiversity (Objectives 1, 2) and Land Degradation (Objective 3) Focal Areas.

GEF Biodiversity Focal Area:

7. *Objective 1:* the additional finance will support sustainable coastal and marine protected area systems by ensuring that: a) ecologically viable and representative samples of the coastal and marine ecosystems and threatened species are protected to ensure their long-term persistence; b) sufficient financial resources are available for protected area management; and c) sufficient institutional and individual capacities are built and maintained for long term effective management of protected areas that includes participation by local communities.
8. *Objective 2:* the additional finance will promote measures to help reduce the negative impacts that productive sectors exert on coastal biodiversity and highlight the contribution of biodiversity to ecosystem functioning, economic development and human wellbeing. Support will be given to continuing development and implementation of broader institutional, policy, legal, and regulatory frameworks for coastal governance. The additional finance will further mainstream biodiversity into key production sectors such as coastal tourism and fisheries as well as into mining and other major extractive industries occurring or proposed in Namibia's coastal and marine areas.

GEF Land Degradation Focal Area:

9. *Objective 3:* Activities under this objective will address the pressures on natural resources from competing land uses in the wider coastal landscape. The focus will be on building capacity for achieving harmonized sectoral policies and coordinated institutions to promote an enabling environment between relevant sectors and the large-scale application of good management practices based on integrated land use planning. The additional finance will seek to build upon the existing Country Pilot Partnership for Integrated Sustainable Land Management (CPP ISLM) framework and promote integrated cross-sectoral approaches. It will supplement the successful initiatives supported by the NACOMA project relating to strengthening capacity for cooperation and collaboration among the different economic sectors on the coast (mining, tourism, fisheries, conservation, transport, development etc.) for sustainable coastal development. The additional finance will promote investments in ecosystem restoration and rehabilitation of degraded areas in selected sites of community lands around the coastal PAs.

D. Baseline or Business as Usual Scenario

10. Despite NACOMA's success in setting the initial stages for a strong policy and governance of the coastal marine ecosystems and increasing protection of coastal biodiversity described earlier, the majority of threats and pressures on coastal resources from burgeoning coastal development and industry continue to increase and intensify.
11. Under the baseline scenario, in the absence of GEF funding, the growing economic development and human activities along the coast and in the marine environment might lead to unprecedented migration, bringing with it uncontrolled urban development that results in overuse and pollution of freshwater resources, an increase in industrial coastal and marine pollution, unsustainable agricultural practices and worsening of water regimes for coastal wetlands, other land and water degradation. The National Policy for Coastal Management (NPCM) was passed thank to NACOMA. If the NPCM is not supported in its implementation during the next critical years, this could lead to a development approach that threatens ecosystem integrity, biodiversity conservation and functioning in the coastal ecosystems. The lack of a good accounting system valuing Namibia's natural capital could lead to development decisions that do not acknowledge that coastal and terrestrial ecosystems provide services such as provision of food, tourism/recreation, flood attenuation and replenishment of groundwater.
12. Unsustainable development could increase the stresses on ecosystem services, increase carbon emission through deforestation and fires and these in turn may affect the natural habitats as well as the human populations both directly (flooding, coastal erosion, impact on harbors etc.) as well as indirectly through coastal and terrestrial ecosystem changes (changes in fish populations and productivity impacting on the fishing industry as well as coastal biodiversity including endangered seabirds).
13. Also the insufficient recognition of the importance of ecosystems and biodiversity to provide multiple benefits to support local livelihoods and enhance ecological integrity, are serious barriers to overcome degradation drivers and trends that undermine the natural resource base in the Namibian coast. Development strategies will continue to erode the fragile natural resource base that sustains local livelihoods. Without GEF's intervention, current management approaches and investments will not be

able to optimize the provision of multiple benefits and target critical areas for improved land-use and protection of high biodiversity values.

14. Furthermore, without GEF, the development paradigm of the coast would not be able to redirect investments, mainstream conservation through reformed policies, or gain better access to global financial mechanisms to provide positive incentives for a greener economy that takes into account externalities and encourages a sustainable management in the wider landscape. While efforts are underway to reduce the depletion of the natural resource base by redirecting investments, the enabling conditions for sustainably ensuring the stability of ecosystems and biodiversity is not in place yet. Thus, the additional finance faces a setting where political, institutional and knowledge barriers discourage biodiversity conservation, land base mitigation strategies and rehabilitation strategies.
15. The NACOMA funding is critical to influence how policies and investments that will happen on the coast are incorporating the values of biodiversity and ecosystems, stop land degradation and enhance the multiple values of functioning ecosystems. It is predicted that without additional GEF support to build on the key achievements of NACOMA and address key gaps, the coastal zone, its associated biodiversity and fragile arid ecosystems, will rapidly deteriorate in the face of enormous and wide-ranging pressures. Policy implementation and the establishment of adequate institutional and legal mechanisms will be limited resulting in a lack of a coherent enabling framework for coastal governance and poor integration among relevant line ministries and stakeholders. In addition, the momentum towards decentralization of environmental governance will likely drop, thereby further weakening regional and local government capacity for coastal management and reducing the potential social and economic opportunities offered through proper governance of these areas and resources.
16. Without NACOMA's additional support it is unlikely that the proposed environmental planning function at the coastal Regional Council level will be formalized and filled in the short-term. Thus, cost-effective replication benefits for this function in other regions throughout the country would not occur.
17. Over the three year additional funding period, the total expenditures associated with the Baseline Scenario are estimated at US\$ 5.8 million.
18. The domestic and global benefits under the baseline scenario focus on the basic maintenance of coastal ecosystems through limited-, unmainstreamed- and uncoordinated environmental planning and management, principally at local, and only to a limited extent - regional, national, or even sub-regional levels. The baseline would confer decreasing global benefits through limited- and insufficient protection to a number of sites with a biodiversity conservation value.

E. GEF Alternative

Global environmental benefits

19. The global environmental benefits of this additional finance is to support the enabling legislation of the NPCM and disseminate and incorporate the integrated coastal management approach mandated in the NPCM in development activities. In addition, the additional finance will support the effective management of several protected areas (869,874 ha terrestrial and 500 ha marine PAs) and will support on the ground activities in the newly established parks and buffer areas that will address land degradation issues in the coast.

GEF Incremental activities and value added:

20. The GEF Alternative has been estimated at US\$ 7.7 million. This additional finance is expected to be funded by a US\$1.92 million GEF grant and US\$5.8 million in co-financing from GRN and other funders. The partnership between the GEF, the Government of Namibia and the private sector is an innovative and exciting approach to contribute to the conservation and management of coastal and terrestrial ecosystems in the Namibian coast through an integrated coastal zone management (ICZM) approach.
21. The ICZM has been defined as a continuous and dynamic process that unites government and the community, science and management, sectoral and public interests in preparing and implementing an integrated plan for the protection and development of coastal and terrestrial ecosystems and resources in the Namibian coast.” The goal of ICZM is to improve the quality of life of human communities which depend on coastal resources while maintaining the biological diversity and productivity of coastal ecosystems. ICZM strives to overcome fragmentation and jurisdictional splits and overlaps inherent to the historical sectoral management approach. Appropriate institutional arrangements with particular focus on promoting intersectoral and interagency co-ordination at all levels of government are put in place. Mechanisms for involving stakeholders are also important to ensure that coastal communities and other stakeholders are involved in planning and decision-making. Furthermore it requires an adaptive management approach i.e., management that is flexible and can adapt with changing situations and acquisition of knowledge and experience. ICZM is therefore regarded as an approach for the 21st century as it treats the seaward extent and the landward extent of the coastal zone as a single interacting unit, hence ‘unitary’ management or integrated management.
22. In line with the recently approved National Policy on Coastal Management for Namibia, the ICZM approach is a useful framework for strengthening governance of the Namibian coast. This policy makes provision for the development of an ICZM Act, whose implementation will be overseen by an independent Coastal Management Authority (CMA). This CMA is needed because of the cross-cutting nature of ICZM issues. The CMA will pull together multiple stakeholders, harmonize overlapping mandates and responsibilities, and for protection of coastal and terrestrial ecosystems and resources in a consultative manner. The CMA will have an independent board of directors that will be established by the Integrated Coastal Management Act. The National Policy on Coastal Management was endorsed by Cabinet on September 13, 2012, which has paved the way for the development of the ICZM Act. Therefore the commitment by Government (GRN) is a testimony that the adoption of ICZM to address current threats and challenges is indispensable.
23. Coastal development, vegetation cover removal, fires, expansion of urban areas, clearance for commercial agricultural purposes, bush encroachment, over-exploitation of marine living resources, uncontrolled tourism activities, uncontrolled mining activities, unsustainable abstraction of water from natural water basins, pollution, catchment issues, mari-culture and alien invasive species are the main threats to the coastal and terrestrial ecosystems of the Namibian coast. Some of the identified challenges are: lack of coordination among key stakeholders/sectors and limited institutional capacity, limited awareness of coastal environmental issues, poor prevention/law enforcement capacity among stakeholders, poor land and water management and limited funding.
24. The above mentioned threats and challenges will be addressed by a wide range of fora, with good stakeholder representation to achieve horizontal and vertical integration. The establishment of the

CMA through the ICZM Act will ensure fora for representation by relevant Line Ministries, Regional Councils from the four coastal regions, Local Government Authorities in the four coastal regions and civil society groupings. A second level of the CMA involves the establishment of working groups comprising specialists and experts from different Ministries. The working groups will be established on an as-needed basis to address: i) specific coastal issues (such as coastal pollution, poverty reduction, conservation); ii) key coastal sectors (tourism; mining; research and education); and iii) emerging issues (such as climate change variability and change). The role of the working groups will be to review proposals and plans relevant to these sectors or issues where they affect the coastal zone and provide a co-ordinated response to the relevant Line Ministry.

25. The current Contingency Management Committee (CMC) and the Park Consultative Forum (PCF) will continue to take care of issues within the Dorob National Park (DNP). It is also envisaged that there will be CMCs in all four coastal regions. There will also be a forum in Lüderitz for discussing and addressing issues around the Namibian Islands Marine Protected Area (NIMPA), which will be called “NIMPA Stakeholder and Grievance Committee”. The stakeholders forming part of those committees will be providing advice to the decision makers in the government (MET, MFMR, MME etc). These committees were formed during the current phase of NACOMA, as triggered by the World Bank’s Social Safeguards Policy.
26. Coastal management in Namibia is currently on the cusp of success and failure. The NACOMA project has supported essential initial steps towards establishing an effective governance framework, promoting decentralized decision making and protecting key marine and coastal biodiversity. Ongoing support for coastal governance activities through this additional finance are essential to: a) boost the baseline of a developing, yet currently inadequate integrated coastal governance framework; b) support preliminary steps towards mainstreaming the ICZM approach into productive sectors; c) strengthen newly proclaimed yet ineffectively managed coastal and marine protected areas; and d) rehabilitate land degradation in key sites. In the absence of support, there is a high likelihood of persistent degradation of high-value, unique biodiversity, natural resources and carbon stocks and loss of opportunities for sustainable coastal development.
27. The additional finance will support the same three basic components and a coordination component of the original project. These activities were not financed under the original project, but are a natural follow-up action required to consolidate the results of the original project:
28. Legal, Institutional, Policy and Planning Framework for Integrated Coastal Zone Management: This component supports strategic studies and consultations to support the implementation of the National Policy on Coastal Management (NPCM). This component will finance:
 - a. Study and proposal for the enabling legislation of NPCM (ICZM ACT) as well as an options’ paper for the NPCM governance and institutional arrangements. The associated participatory consultative process and documentation on the clarification of institutional mandates and enabling legislation of the NPCM will also be supported.
 - b. Preparation of new guidelines on how to prepare regional and local government land-use plans that incorporate the ICZM approach. At least two regional or local government land-use plans will be prepared using the guidelines. The NPCM has established the criteria to define and apply the ICZM approach, however it is critical for the additional finance to apply the ICZM concept in land use and development plans within the regional, local and national government sectors.

- c. Development and dissemination of methodologies and lessons learned on land rehabilitation, EIAs and good management for the coast that will also feed into the ensuing enabling ICZM legislation. This activity would develop best environmental practices guidelines to incorporate ICZM tools in the productive sector. Environmental Management Plans (EMPs) in coastal towns would be implemented in line with EMA to control poor environmental management practices. Some of these towns are surrounded by PAs, hence the need for uniform improvement in environmental management.
 - d. Update the state of environment report, the regional Sector Environmental Assessments and sustainable development decision-making tools that incorporate economic valuations, mapping, GIS and environmental scenarios. The state of environment report would update regularly the biodiversity indicators for the coast.
29. Targeted Capacity-Building for Integrated Coastal Zone Management: This component supports awareness raising and capacity building activities to promote an integrated coastal zone management approach in development activities. This component would finance the development of education materials and, communication and training programs for national, regional and local key policy and decision makers to implement the ICZM approach through NPCM. (ie. radio programs, press releases, documentaries, expos, talks, etc..). It would also support the implementation of recommended activities proposed in the Communication and Awareness and, Training and Capacity Building consultancies carried out under the on-going NACOMA project.
30. Targeted Investments in Critical Ecosystems for Biodiversity Conservation and Sustainable Use: This component supports the implementation of the two newly created parks, Dorob National Park and NIMPA (Namibian Islands Marine Protected Area). It will also support the development of an integrated land use plan in neighboring communal conservancies. The additional finance will support targeted investments identified in the seven management plans completed under the first project, to support sustainable livelihoods activities with the adjacent communities to the parks. The matching grants mechanism used in the original NACOMA project will be used and follow all the rules established in the project EMP to ensure that the activities are in line with the Bank's Safeguard Policies.
31. Project Coordination and Reporting: This component supports the functioning of the Project Coordination Office (PCO). It will continue to support the day to day operation of a additional finance implementation unit responsible for the following functions: a) administration; b) coordination; c) financial and audit management; d) procurement management; e) monitoring and evaluation; f) fundraising; and g) reporting

Incremental Cost Analysis

32. The difference between the cost of the baseline scenario (US\$ 5.8 million) and the cost of the alternative scenario (US\$ 7.7 million) is estimated to be US\$ 1.9 million which represents the incremental cost for achieving the global environment objectives (see table 1). All of it is requested to the GEF.

Table 1: Incremental Cost Matrix for GEF funding

Components	Category	Expenditure	Domestic benefit (these read like outputs not benefits)	Global benefit (refer to ICA of earlier project and

				adapt)
Component 1 & 2 ¹³ (not clear why this is lumped together – ICA needs to do a component wise analysis – particularly since an economic analysis is not being done)	Baseline	970,000	<p>Functional advisory mechanisms for collaboration and integration among sectoral agencies and across multiple scales on sustainable coastal and ocean management in place (Gov)</p> <p>Limited ICZM approach incorporated in mining and fisheries companies's policies</p> <p>Training program for National, Regional and Local key policy and decision makers to embrace multiple environmental benefits within planning tools and monitoring systems developed and promoted (ICZM approach) – e.g. training program is a activity/result...but specific acapacity buily is more the benefit ?</p>	
	GEF alternative	1,461,700	<p>ICZM approach incorporated in development sector using international standards</p>	<p>Studies, consultations and proposal for the Governance structure of NCP completed</p> <p>At least two regional or local govt land-use plans that incorporate the ICZM approach completed</p> <p>Methodologies and lessons learned on restoration, EIA and good management and technologies of SLM/SFM for the coast developed and disseminated</p>
	Increment	491,700		
Component 3	Baseline	4,002,000	<p>Limited law enforcement and compliance mechanisms in place for coastal management in the coast</p> <p>Limited research and monitoring of coastal and marine biodiversity conservation and sustainable use</p> <p>Limited investment in social development activities</p>	

¹³ These two components were lumped in the document that was submitted to the GEF for the additional finance.

			Training program for National, Regional and Local key law enforcement personnel	
	GEF alternative	5,342,000	Pro-active enforcement and compliance for coastal management Investment in social development activities	Key activities in Dorob National Park (810,000 ha) and NIMPA (500 ha) implemented Sustainable financing plan for Dorob implemented Investments in pilot areas (ca 200,000 ha) to rehabilitate land degradation and improve management
	Increment	1,340,000		
Component 4	Baseline	900,000	Strengthening capacity of the regional councils, ICZM and SC council.	
	GEF alternative	993,300		Efficient administration of the Project coordination unit.
	Increment	93,300		
Total	Baseline	5,872,000		
	GEF alternative	1,925,000		
	Increment	7,796,300		