



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project

TYPE OF TRUST FUND: GEF Trust Fund

PART I: PROJECT IDENTIFICATION

Project Title:	Strengthening the National Protected Areas System of Swaziland		
Country:	Swaziland	GEF Project ID:	5065
GEF Agency:	United Nations Development Programme	GEF Agency ID:	4932
Other Executing Partner(s):	Swaziland Environment Authority (SEA); Swaziland National Trust Commission (SNTC)	Resubmission Date:	10 September 2012
GEF Focal Area (s):	Biodiversity (BD)	Project Duration:	72 Months
Name of parent program:	N/A	Agency Fee:	\$539,000

A. FOCAL AREA STRATEGY FRAMEWORK:

FA Objectives	Expected FA Outcomes	Expected FA Outputs	Trust Fund	Indicative Grant (\$)	Indicative Co-fin (\$)
Objective 1: Improve Sustainability of Protected Area Systems	Outcome 1.1: Improved management effectiveness of existing and new protected areas: <i>Indicator 1.1: Protected area management effectiveness score as recorded by METT.</i>	Output 1. New protected areas (11) and coverage (24,845 hectares) of unprotected ecosystems.	GEF	3,340,000	15,200,000
	Outcome 1.2: Increased revenue for protected area systems to meet total expenditures required for management: <i>Indicator 1.2: Funding gap for management of protected area systems as recorded by protected area financing scorecards.</i>	Output 3. Sustainable financing plans (6).	GEF	1,840,000	8,575,000
Sub-total				5,180,000	23,775,000
Project management cost				210,000	1,225,000
Total project costs				5,390,000	25,000,000

B. PROJECT FRAMEWORK

Project Objective: To strengthen management effectiveness of Swaziland PAs to respond to existing & emerging threats to biodiversity

Project Components	Grant Type	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant (\$)	Indicative Co-fin(\$)
Policy reforms and knowledge enables PA expansion and removal of threats through co management; Subcomponent 1: Policy and knowledge	TA	<ul style="list-style-type: none"> Conservation policy reformed and co-management governance framework put in place involving government, private sector, communities and NGOs: this guides biodiversity conservation across landscapes (within and beyond PAs). 	<ul style="list-style-type: none"> SNTC Amendment Bill fast tracked, PA Regulatory Framework harmonized and Game Act revised (and harmonized); this leads to reformed policy and regulatory framework that allows: <ul style="list-style-type: none"> the private sector and community lands to be declared formal PAs; direct involvement of Private sector and communities groups in PA management; legal provisions requiring all PAs to be managed in accordance with approved PA management plans according to set national guidelines; legal requirement for the use of environmental assessments and biodiversity considerations in land-use decisions; leveraging of PA finance from private sector; development of simple guidelines to enable the PA managers and partnerships to comply with these PA management regulations GIS based knowledge and information management system operationalized and supports systematic biodiversity planning; this leads to an ecosystem focus in biodiversity conservation, identification of 	GEF	700,000	3,000,000

			critical biodiversity areas, ecological support areas for maintaining ecosystem processes, biodiversity conservation targets (in line with Aichi targets and national plans), and determination of ecosystem management objectives (within PAs and immediately adjacent lands).			
Policy reforms and knowledge enables PA expansion and removal of threats through co management; Sub-component 2: Landscape approach operationalized and leads to PA expansion	INV	<ul style="list-style-type: none"> Legally protected PA estate expanded by 32%, over the current baseline (increasing PA coverage from 4.45 to 5.88% of the country); this ensures that PAs capture a more representative sample of the country's biodiversity, and result in: (i) <i>maintenance of wildlife populations and ecosystems functionality in 3 landscapes;</i> (ii) <i>compatibility of land uses in adjacent communities with overall biodiversity management goals;</i> (iii) <i>containment of threats from commercial agriculture, infrastructure placement and tourism impacts</i> 	<ul style="list-style-type: none"> 9 areas of significant biological diversity currently operating as un-gazetted PAs covering a total of 236.45km² gazetted as PAs (Mbuluzi, Nkhalashane, Hawane, Phophonyane, Libetse, Lomati, Nisela, Shewule CCA and Usuthu Gorge/ Mbabane CCA); 4 biodiversity-rich forest areas currently not under any formal or informal protection, namely Bulembu (Highveld), Jilobi, Tikhuba and Mambane (Lubombo) forests covering an area of 12km² gazetted as Nature reserves and their management operationalized; Management of the 2 CCAs (Shewule and Usuthu Gorge/Mbabane – sub-total area of 6 and 93km² respectively) operationalized, including agreement on sustainable use thresholds (minimum harvesting for forest products, livestock stocking rates, etc.); governance systems for enforcing compliance with the management guidelines defined (including systems for harvesting permits) and capacity for enforcement through the Chief and community level self policing; Capacity development and training for all newly gazetted or created PAs increased and deliver the following: <ul style="list-style-type: none"> Ecotourism development and management business plan in place in the CCAs and implementation started: this leads to: i) identification and development of eco-tourism products on the community conservation areas; ii) training programs designed and delivered and increase technical capacity of PA and ecotourism management for communities in the two areas particularly to implement environmental and social safeguards for ecotourism; Managers capacity for managing the CCAs provided, including establishment of institution for advancing CBNRM, agreeing institutional roles and responsibilities between the community, private sector and PA managers, participatory PA planning, joint enforcement, monitoring, dispute resolution, etc.; 	GEF TF	2,640,000	12,200,000
Strengthening Core PA functions to address existing and emerging threats to biodiversity	TA	<p>1.1: Core protected areas operations in the 4 gazetted PAs (Malolotja, Mlawula, Mlilwane and Hlane covering over 74,000ha strengthened, increasing METT score to at least 60 (baseline to be determined at PPG)</p> <p>1.2: Funding Gap for management of PAs under SNTC reduced by 25% (as recorded by the PA Financial Scorecard)</p>	<ul style="list-style-type: none"> SNTC capacitated with skills, equipment and knowledge needed for effective PA management and operations (planning, surveillance, research, policing, monitoring); Systematic staff training programs established covering all aspects of PA operations rangers, guides and other field staff meet necessary competencies for planning, administration, marketing, customer care, conflict resolution, reporting, monitoring, policing and enforcement in PAs within three landscape; 10-year business plans for existing and new PAs that includes 3-year general work plans; implementation supported as part of the acceleration of implementation of the SNTC restructuring and commercialization strategy - lead to: <ul style="list-style-type: none"> human resources management system to acquire and retain relevant skills for accelerating commercialization of SNTC 	GEF TF	1,840,000	8,575,000

		1.3: Monitoring system reports positive changes in conservation status of key biodiversity indices (determined at PPG) and no major adverse impacts on biodiversity in ecologically sensitive areas that are directly or indirectly attributable to tourism in the target landscapes (200,000 ha): key indicators and baselines will be determined during PPG drawn from key species of reptiles, mammals, birds, and plants).	<ul style="list-style-type: none"> ➤ the trajectory of SNTC dependency on government subventions altered as indicated by a reduction from the current 90% to at least 75%; • Tourism products development and marketing, infrastructure maintenance ➤ development of new and additional tourism products (e.g. sky walk, nature trails, camping sites,); ➤ branding and marketing for the renewed tourism products; ➤ 25% increase in number of community/ private sector partnerships on tourism based businesses ➤ At least 2 new private/public sector joint ventures on tourism made operational 				
			Subtotal			5,180,000	23,775,000
			Project Management	GEF		210,000	1,225,000
			Total project costs			5,390,000	25,000,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$) ¹

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Amount (\$)
Government Agency	Ministry of Tourism and Environmental Affairs	Grant	6,000,000
Government Agency	Ministries of Agriculture, Tourism and Environmental Affairs	In-kind	5,000,000
GEF Agency	UNDP Swaziland	Grant	1,000,000
Bilateral Aid Agency	European Union (through government)	Grant	8,000,000
NGO	The Lubombo Conservancy Critical Ecosystem Partnership	Grant	1,000,000
Private Sector	Lubombo Ecosystem Management Program and Big Game	Grant	4,000,000
Total Co-financing			25,000,000

D. GEF RESOURCES REQUESTED BY AGENCY, FOCAL AREAS AND COUNTRY

GEF AGENCY	TYPE	Focal Area	Country	Grant Amount US\$)	Agency Fee	Total
UNDP	GEF	BD	Swaziland	1,293,600	129,360	1,422,960
UNDP	GEF	LD	Swaziland	2,371,600	237,160	2,608,760
UNDP	GEF	CC	Swaziland	1,724,800	172,480	1,897,280
Total GEF Resources				5,390,000	539,000	5,929,000²

PART II: PROJECT JUSTIFICATION

A. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

A.1. THE GEF FOCAL AREA STRATEGIES:

- Swaziland is part of the Conservation International's *Maputaland-Pondoland-Albany Hotspot*³, the meeting point of six of Southern Africa's eight biomes which contain unusually high levels of endemism. Despite the global significance of its biodiversity, the PA estate is comprised of very small and vulnerable PAs, poorly distributed across ecosystems and covering only 4.45% of the country. The PA estate therefore fails to provide adequate protection for critical biodiversity areas (CBAs) and the ecologically important areas required to support CBAs and maintain the ecological viability of PAs. In addition, PA management is sub-optimal. The conservation paradigm is still highly influenced by government, with limited participation of the private sector and communities in management. The management effectiveness of the current PA estate is low and over 90% of financing of the core PA operations is from government subventions, which is risky given the current financial

¹ These are provisional figures to be confirmed at PPG.

² The endorsement letter is for the full STAR amount of USD 6,094,000, including a PPG amount of USD 150,000

³ A Conservation International Designation

difficulties the country is facing. There is an urgent need to expand the PA estate, while strengthening PA management competencies. This will in turn require the participation of a broad range of stakeholders, including private landholders, local communities and the tourism industry, to establish new State PA, private and community managed reserves. Given the difficulties in establishing single large areas, owing amongst other things to tenurial factors, a landscape approach is needed, to strategically place these different PAs in proximity to one another, and manage land in immediately adjacent areas to reduce threats to biodiversity and improve connectivity between the PA sites. The proposed project will enable this to happen by providing the enabling policy/legal environment for the new biodiversity management paradigm, forging the partnerships required to take it on, and providing them with tools for utilizing scientific rigor in planning and executing biodiversity management. This will increase the PA coverage to 5.88 %, and increase the financial sustainability and METT scores of the current PA estate by at least 25% and 30% respectively. Collectively, these measures will improve the effectiveness and efficiency of conservation, and the delivery of ecological, economic and social benefits, contributing to BD1: *Improve sustainability of Protected Area systems*. These measures will also contribute to the PoWPA and Targets 1-4 and 7 of the Aichi Plan.

A.2. NATIONAL STRATEGIES AND PLANS OR REPORTS AND ASSESSMENTS UNDER RELEVANT CONVENTIONS.

2. The project was selected in a National Portfolio Prioritization consultation process held in 2011 which culminated with the country opting to use the Flexibility Mechanism and allocate its entire GEF V resources to improving PA management. This choice was endorsed during several national planning meetings at which stakeholders from the government, communities and the private sector reiterated the urgency of establishing a new conservation paradigm that enables the country to utilize its considerable natural endowment to meet its socio-economic and development needs while simultaneously improving the conservation status of its biodiversity. The project is in line with the country's NBSAP, the Ministry of Tourism 2010-2015 development strategy and the Swaziland Nature Conservation Trust (SNTC) restructuring and commercialization strategy; as well as its 2011-2015 implementation strategy. All three strategies call for (amongst other things) increasing financial sustainability, ecological viability and broader participation of private sector and communities in PA management. They jointly aim to achieve these objectives through the development of a sustainable tourism framework; adoption of a business approach in PA management, development of new tourism products, branding and renewed marketing of Swaziland as a tourist destination and improvement of capacities for all the institutions involved in PA management. Lastly, the project is in line with Swaziland's commitments to the international conventions on BD (expressed in the NBSAP).

B. PROJECT OVERVIEW:

B.1. DESCRIPTION OF THE BASELINE PROJECT AND THE PROBLEM THAT IT SEEKS TO ADDRESS:

3. Covering an area of 17,364 km², Swaziland has 2,600 species of flowering plants that have been collected and recorded, about 121 species of mammals, 153 amphibians and reptiles, and 350 species of birds; making it one of the world's treasure chests of floral and faunal species richness. The country also contains one of the largest remaining intact altitudinal gradients of natural ecosystems in Southern Africa, and is the only place where this continuum is concentrated in a relatively short distance (of about 200 km). Such an intact gradient holds great significance for biodiversity conservation because it allows ecological processes such as migration and gene flow, and provides the opportunity for population shifts as an adaptation to climate change. Swaziland's forests contain 22 million metric tons of carbon in living forest biomass. This considerable biodiversity richness is contained in four distinct ecosystems: namely montane grassland, savanna-woodland mosaic, forests, and, aquatic systems.
4. The **grassland ecosystem** is the richest in terms of plant species. It holds over 70% of the country's endemics and the only endemic vertebrate in Swaziland (the lizard *Afroedura major*). There are more plant species restricted to the ecosystem, but do not qualify as national endemics since they also occur in neighboring South Africa. Similarly, the ecosystem hosts numerous species of animals that are restricted to the montane grasslands shared with South Africa (hence are regional endemics) including the birds *Oenanthe bifasciata*, *Geocolaptes olivaceus* and *Macronyx capensis*; and the mammals *Pelea capreolus*, *Otomys irroratus* and *Amblysomus hottentotus*; the reptiles: *Chamaesaura aenea*, *Lygodactylus ocellatus* and *Lamprophis swazicus*. The **savanna ecosystem** covers 48% of the country and occurs in the central, eastern and northern parts. It is important for the conservation of large herbivores, such as White Rhino, the Nyala, zebra, blue wildebeest, reedbuck, and kudu amongst others. It also covers a large part of the unique Lubombo Mountains, which has 7 species of plants and 3 species of vertebrates that are endemic to the greater Lubombo mountain range. The **forest ecosystem** is highly restricted, with a continuous canopy cover usually found at moderate to high elevations mainly in the west of the country and in ravines of the Lubombo Mountains. The **aquatic ecosystem** covers the smallest area of Swaziland (1%), but supports the highest density of species and plays an important role in the functioning of the other ecosystems. A total of 98 species of plants occur exclusively in this ecosystem, with a significant number of vertebrates currently threatened, including numerous species of water birds whose habitats have become increasingly degraded and destroyed.

Management Challenges within and outside PAs

5. There are two main management challenges facing PAs in Swaziland: i) inadequacy of the network, due to limited coverage across ecosystems; and, pressure from overharvesting and unsustainable use in PAs and adjacent areas.
6. **Inadequate PA Network coverage:** The inadequacy of the PA coverage originates from the history of PA establishment in the country, which was not based on systematic biodiversity planning, nor the assessment of ecosystems. The oldest PAs, Ubombo and Hlatikulu, were established in the late 1880s with the objective of protecting large mammals through *in-situ* and *ex-situ* conservation initiatives. These were disbanded in 1922 after an outbreak of sleeping sickness amongst wildlife populations in both nature reserves in a bid to stop the potential spread of the disease to livestock. Large mammals began to disappear at an alarming rate after the disbandment, which led to the proclamation of the Mlilwane Wildlife Sanctuary under the Game Act of 1953. Ultimately the Swaziland National Trust Commission (SNTC) was established in 1972 with the mandate to oversee the conservation of the country's natural and cultural heritage throughout the four ecological zones of the country. Notably, a key focus of the SNTC program was to ensure the full bio-geographic representation of ecosystems in the conservation estate; a task it has not yet succeeded in achieving. An initial country-wide protection-worthy areas survey was carried out in 1972 resulting in the declaration of Malolotja Nature Reserve; this was followed by a second assessment of protection-worthy areas in 1978, which led to the proclamation of Mlawula Nature Reserve, and later to the Mkhaya, Hawane and Mantenga Nature Reserves, proclaimed in 1985, 1992 and 1994 respectively.
7. The last update of the protection-worthy areas assessment was done in 2002 and identified 44 important areas (annex. 1). None of these areas have been proclaimed as PAs to date. Currently the country has six gazetted protected areas (Non-shaded rows in table 1) covering 72.6km² or 4.45% of the total land area, and 9 NOT YET gazette PAs covering 236.5km² (shaded rows in table 1); both gazetted and non gazetted PAs are distributed unevenly across the ecosystems. Grasslands, forests and aquatic ecosystems have only 2% under PA each while the savanna woodlands has 5%. In addition to the fact that the PA estate falls short of the AICHI targets of 17%, only the Malolotja PA is a reasonable size for conservation. The PA adjoins Songimvelo Nature Reserve in South Africa to form a trans-national conservation area which is over 40 000 ha. The others are too small to support viable populations of most species without connectivity with each other. In addition, the spatial distribution of these conservation areas is skewed with most of the PAs situated in the north and the eastern parts of the country (map in annex 1), leaving clear gaps in PA coverage in the southern and southwestern parts (annex 1). Perhaps even more critical is the fact that only one small currently NOT gazette PA (the Shewula Community Reserve) is on Swazi National Land (SNL). This is pertinent because the current dynamics of land tenure, population and land use are too complicated for the country to simply establish PAs on state land. About 60% of Swazi territory is held by the Crown in trust of the Swazi nation (called Swazi Nation Land (SNL); but supports 75% the 1.1 million Swazis, who are dependent on subsistence agriculture. The balance is privately owned (referred to as Title Deed Lands – TDL), and supports the bulk of the high value crops (sugar, forestry, and citrus) in commercial agriculture. Because of the distribution of biodiversity within the private and state lands, PAs need to straddle both tenure systems; and some of the PAs on the SNL need to be managed by communities.
8. Most land adjacent to the existing PAs, or in protection worthy areas, where new PAs are planned is under multiple use. Uses range from commercial to subsistence agriculture, the harvest of forest and veldt products, livestock grazing, and settlements. Increasing human population in these areas has exerted pressure on biodiversity, particularly through agriculture (commercial and subsistence) and overharvesting of natural products from forests and woodlands. Large-scale irrigated agriculture, primarily sugarcane, pineapple and citrus, has cleared large tracts of grasslands, resulting in destruction of natural vegetation. The low productivity of the subsistence agriculture has driven overharvesting of natural resources without a mechanism for regeneration; expansion of agriculture into biodiversity important areas has resulted in encroachment into planned PAs and wildlife dispersal areas. Wildlife numbers have also been decimated, especially antelopes and their mammalian predators, and are now only found inside the protected areas. Many of the existing PAs have hard edges, with production areas situated at the PA boundary, and remaining natural habitats outside these PAs and in planned PAs are fast being degraded leading to increasing habitat fragmentation. Corridor fragmentation constrains the migration of the already low numbers of wildlife across landscapes, further reducing the viability of the gene pools within the existing and planned PAs.
9. Indigenous forests are harvested for fuel wood and building material without consideration for sustainability. A 2007 USAID biodiversity assessment reported that estimated annual wood consumption exceeds the total sustainable wood supply by 30%. Over-harvesting of woody plants has opened up forest patches, exposing them to fire and invasive species. A number of exotic woody species are rapidly encroaching into natural habitats, leading to the 2005 government proclamation on bush encroachment as a national disaster. This is also a problem in the aquatic and savannah ecosystems (inside and outside the PAs) where widespread overgrazing has altered the fire regimes leading to bush encroachment and reduction in species richness and productivity of the land. *Lantana camara*, *Psidium guajava*, *Chromolaena odorata* and *black wattle* have spread over large areas of the savanna ecosystem, while the herb *Parthenium hysterophorus* is often evident in the grass layer in disturbed areas.
10. Creating sustainable jobs, alleviating poverty and improving the quality of life of all Swazis are amongst the most pressing challenges the country needs to address, using its natural capital endowment more sustainably. As reported by the State of the Environment Report, the country has paid a high social and economic price for the sub-optimal management of its biodiversity; these include accelerated land degradation and biodiversity loss, loss of ecosystem resilience, reduction in water quantity and quality, increased infestation by invasive alien species, decline in land productivity and a shrinking economy. These impacts

compromise the quality of life for the Swazi people, but particularly for the rural poor, who depend on biodiversity resources to meet their basic needs.

11. **The preferred long-term solution:** There is an urgent need to strengthen the PA estate to address the challenges it now confronts—to strengthen the management effectiveness of existing PAs in addressing threats, while expanding the PA estate to incorporate protection worthy areas that, absent intervention, will be progressively degraded as the pressures mount. The ideal long-term solution therefore, is that Swaziland adopts a landscape conservation paradigm that allows a broader range of stakeholders to work together to manage biodiversity more effectively. Under this approach, PAs will be established and managed in critical biodiversity areas as clusters—different sites managed by the State, private landowners and communities in proximity to one another. These PAs will need to be managed as part of a matrix of land uses across landscapes that allow biodiversity management objectives to be integrated in the strategies, production practices and decisions of a range of land and resource users occupying land immediately adjacent to PAs (and between them—so as to maintain functional corridors). This will ensure a differentiated management system where critical biodiversity areas are managed as PAs; connectivity is created or maintained where needed to enhance biodiversity security and/or ecosystems functioning; and, land use and economic development immediately adjacent to PAs are biodiversity compatible. More importantly, it will expand the PA estate and reduce its vulnerability to the effects of climate change and human development. By allowing connectivity across landscapes, it will also allow the free movement of species, increasing the range for such species.

Baseline programs

12. This project will build on a baseline of USD 37 million consisting of government and private sector investment in biodiversity management in the last 4 years, summarized in table 2 below.

Table 1: Baselines investment by source and amount

Source of Baseline		Amount	Explanation
Ministry of Tourism and environmental Affairs	SEA & Forestry	8,000,000	Regular investment in conservation related programs and in tourism through the SEA and forestry department
	PA management	8,000,000	Direct investment in the management of the 6 gazetted PAs
	SNTC restructuring	5,000,000	SNTC restructuring in the last five years
Ministry of Agriculture	Conservation support	3,000,000	Regular investments in conservation related aspects of the Land Use Planning and Development section
	Bilateral donor in agriculture project	8,000,000	EU support to small scale agriculture relevant to productive areas adjacent to PAs
Private Sector		5,000,000	Direct investment in the currently not gazetted PAs and tourism development
Total baseline investment		37,000,000	Of this total USD 12 million is direct investment in gazetted and ungazetted PAS. Another 4 million is invested directly into tourism support activities.

13. The government investment in biodiversity management is channeled primarily through three national institutions: i) the Swaziland National Trust Commission (SNTC), which currently manages 86% of the conservation areas; ii) the Swaziland Environment Authority (SEA) and iii) the Ministry of Agriculture. Both the SNTC and the SEA fall under the Ministry of Tourism and Environment (MTE). Established in 1972, the SNTC is a parastatal with the mandate of “Conserving Swaziland’s natural and cultural heritage through sustainable utilization of natural resources and promotion of environmental awareness throughout the country”. It is run by a Board of Commissioners appointed by the Minister and has six departments: the Museum, Monuments, Relics and Antiques, Parks and Reserves, Environmental Education, Community Outreach and Accounts and Administration. The Swaziland Environment Authority was established in 1992 with the mandate of coordinating government’s efforts to incorporate environmental factors into the country’s development process. It is run by a Board comprised of a chairperson, a secretary (the Director of the SEA), and representatives from eight ministries, four NGOs and four private citizens. At present, the SEA staff all fall under a single department headed by the Director. According to the Act, the SEA has four main responsibilities, which are to: promote the development of policies, legislation and enforcement mechanisms needed for sound environmental management; coordinate the activities of all bodies concerned with environmental matters and serve as liaison for national and international organizations on environmental matters; monitor trends in the state of the environment, and conduct and promote research on environmental matters, and promote environmental training and education to increase public awareness and participation. The SEA has also played an important role. For example, the law stipulates that an Environmental Impact Assessment (EIA) must precede any development. The SEA is directly responsible for reviewing these EIAs and issuing compliance certificates where appropriate. Through this EIA process, the erosion of biodiversity in Swaziland has certainly been curbed. The SEA is also charged with increasing public awareness on environmental issues (which includes biodiversity conservation concerns).

Table 2: Current and proposed PAs in Swazland

Name	Classification	Management	Legal Status	Size (Km ²)	Proposed Category	Landscap e
Lubombo	Transfrontier	International	Partially gazetted	4,195 ⁴		Lubombo
	Hlane	Royal National Park	Big Game Parks	Gazetted	300	National park
	Mlawula	Nature Reserve	SNTC	Gazetted	165	National Park
	Shewula	Community NR	Community	Not gazetted	6	Biodiversity Resource Management Area
	Mbuluzi	Game Reserve - private	Private	Not gazetted	25	Nature Reserve
	Nkhalashane	Ranch	Government	Not gazetted	43.4	Biodiversity Resource Management Area
Usuthu Gorge/Mambane	Community	Community	Not gazetted	93	Biodiversity Resource Management Area	
Jilobi, Tikhuba and Mambane	Not yet determined	Not yet determined	Currently not protected	7	Nature Reserve	
Hawane	Nature Reserve	SNTC	Not gazetted	1.5	Nature Reserve	High- and Middlelevel d
Mantenga	Nature Reserve	SNTC	Gazetted	7.25	Nature Reserve	
Malototja	Nature Reserve	SNTC	Gazetted	180	National Park	
Mkhaya	Private	Big Game Parks	Gazetted	75	Game Reserve	
Mlilwane	Private Reserve	Big Game Parks	Gazetted	45.6	Special Reserve	
Phophonyane	Protected Area	Private	Not gazetted	5	Nature Reserve	
Libetse Nature Reserve	Private	Private	Not gazetted	15.9	Biodiversity Resource Management Area	
Lomati Nature Reserve	Private	Private	Not gazetted	6.65	Nature Reserve	
Nisela	Private	Private	Not gazetted	40	Game Reserve	
Bulembu	Not yet determined	Not yet determined	Currently not protected	5	Nature Reserve	

Summary table

Status	Size (km ²)	% of country	Comment
Currently gazetted PAs	772.85	4.45	
Currently protected but not yet gazetted	236.45	1.36	
Currently unprotected	12		
Total at the end of the project	1021.3	5.88	This is an increase of over 32% over the current baseline of 772.85km²

14. The Ministry of Tourism also hosts the Department of Forestry which has a clear role (and investment) in conservation. The role of the Forestry Section is to ensure that the forest resources are managed and conserved optimally in order to prevent harmful consequences of exploitation. This entails maintaining a forest resource inventory and monitoring the rate of deforestation, provision of efficient extension services to farmers and undertaking research on propagation of indigenous and exotic tree species. The Forestry Section has four obligations: Promotion of optimum productivity of forest resources; Management, protection and conservation of forest resources with due regard to immediate and long-term socio-economic benefits; coordination of timber harvesting, wildlife management and water conservation in cooperation with other ministries. These sections will play a key role in regulating and promoting the sustainable use of biodiversity in private and community protected areas, and regulating natural resource use in areas adjacent to PAs.

15. The Ministry of Agriculture has two departments relevant to conservation: fisheries and Land Use Planning and Development. The Land Use planning and Development Section is responsible for promoting rational land use and the development of

⁴ Only 539.4km² of this total will be in Swaziland, of which 465km² is currently gazette (Hlane and Mulawula) while 74.4km² is not yet gazetted (Shewula, Mbuluzi, khalashane).

agricultural land and water resources, particularly on Swazi Nation Land (SNL). The department is composed of the following sections: Land Development, Land Use Planning and Irrigation Development. The major responsibilities of the Department that relate to conservation and PA management include the production of Land Capability Maps, development of land use plans covering resettlement plans, crops and forestry land suitability plans; Determination of irrigation potential of areas; Promotion of Soil Conservation practices on both arable land and rangelands; rehabilitation of degraded lands; Construction, maintenance and rehabilitation of rural infrastructure such as feeder roads, low level bridges, water diversion structures and canals for irrigation.

16. The combined investment in the conservation aspects of the three institutions in the last four years exceeds USD 25 million, which is considered government baseline for the proposed project. In addition, the government has invested more than USD 5 million in improving the financial sustainability of the Swazi National Trust Commission, through the restructuring and commercialization process started in 2002, which is still on-going (this process is described below).
17. **Baseline initiatives by SNTC towards sustainable financing:** SNTC has embarked on a restructuring and commercialization process, meant to make it more financially self sustaining, by developing Public-Private Partnerships (PPP) for tourism development inside PAs. The restructuring process has been spearheaded in three steps, all aimed at increasing operational efficiencies and maximizing returns from tourism facilities in its parks, while ensuring adherence to international trends, requirements and standards of tourism management.
18. The first step of the process was the Horwath Restructuring Plan, which was generated after a thorough review of the institutional structure of SNTC in 2002. The plan made several recommendations aimed at strengthening SNTC's core functions related to promoting nature-based tourism and ecotourism activities and programs for revenue generation. The recommendations included: the development of a five year Strategic Plan with a revised vision, revised mission, revised goals and strategic objectives, addressing infrastructure needs (develop appropriate infrastructure to meet staff and visitor needs), addressing marketing and communication needs (develop a clear brand and a marketing strategy), meeting human resource needs and an enabling staffing structure (establishment of a new organizational structure and the recruitment of skilled staff), improving monitoring and evaluation, and attending to financial needs including the need for public private partnerships to generate sustainable financing. The second step of the process was the EU Private Sector Support to the SNTC's Parks Program, which started in 2006. Focusing on the Mantenga, Malolotja and Mlawula Reserves, the program had the following objectives: 1. To improve the economics of the conservation areas and make them independent of Government subvention; 2. To develop eco-tourism as the vehicle for attaining overall economic objectives; and 3. To facilitate and achieve the outsourcing of existing and future tourism operations in the reserves to the private sector in line with the principles of the National Tourism Policy. Building on the recommendations of the Horwath 2002 restructuring plan, the EU program revised the vision and mission of the SNTC and developed a shared vision for the future of each reserve. This culminated in the formulation of turnaround strategies for Mantenga, Malolotja and Mlawula nature reserves. The third step in the process was the development of technical recommendations for advancing the public-private joint ventures for tourism development in 2006. Phase 2 of the SNTC restructuring and commercialization commenced in 2007/2008 (i.e. signing of Joint Venture Management and Lease Agreements and sourcing of suitable Joint Venture Partners). This resulted in partnerships with Hawane Resort for the joint management of Malolotja Nature Reserve and Matsamo Cultural Park for the joint management of Mantenga Cultural Village.
19. The baseline also includes additional specific government projects, which play a role in biodiversity management. These include the **Swaziland Agricultural Development Project** which focuses on increasing productivity of smallholder agriculture through: i) sustainable land management; ii) increased access to inorganic inputs; iii) improvement in agricultural research and service delivery; iv) removal of constraints in agricultural marketing; v) finance and agribusiness development. Funded by the EC and implemented by the government with technical support from the UN, the Project provides a crucial baseline to the proposed BD conservation project because the support provided to small holder agricultural in areas adjacent to protected areas will reduce pressure on biodiversity. The program is expected to contribute \$8 million in baseline funding over the project lifespan.
20. The **Private Sector** in Swaziland has contributed to biodiversity conservation, particularly of large game, through private game reserves. Collectively, the private sector invested approximately USD 5 million over the last 4 years, primarily through development and maintenance of tourism facilities, protected areas planning, and biodiversity monitoring and staff development. Big Game Parks, a privately owned body, manages three gazetted reserves; Mlilwane/Mkhaya Game Reserves, and, Hlane Royal National Park (held in trust for the Nation by the King). The private sector also manages Phophonyane Protected Area, Mbuluzi Game Reserve and Nisela Private Conservation Area. Involvement of the private sector in conservation is set to increase through the Lubombo Conservancy, an initiative spearheading a landscape approach to conservation, where collaboration among communities, the government and the private sector is expected to bring together five established reserves: Mlawula Nature Reserve, Shewula Community Nature Reserve, Mbuluzi Game Reserve, Hlane Royal National Park, and a conservation area within the Inyoni Yami Swaziland Irrigation Scheme. With financial and technical support from Peace Parks, this initiative will also increase the viability of ecotourism, increasing financial returns to the investments in biodiversity conservation. The Lubombo Conservancy model provides a good foundation for the development of other landscape-level collaborations across the country, a primary focus for this project.

21. The current investments, though impressive, falls short of addressing critical gaps in building partnerships for conservation outside PAs, sustainable financing of PAs, policies and institutional capacities, reducing the effectiveness of the effort to improve biodiversity management and conservation in Swaziland.

Inadequate tools, capacities and partnerships for landscape approach to biodiversity conservation

22. Reaching the ideal solution for the effective conservation of biodiversity will require careful and systematic balancing of conservation and development needs. These can be achieved within the context of a landscape approach to conservation, where PA management (in existing and new sites) is linked closely with the needs of rural populations, taking into consideration current patterns of land use, land ownership and land-use rights, cultural values, economic development needs, etc. To plan, implement and sustain such a system will require adaptive management backed up by a strong knowledge management program that allow the stakeholders to manage PAs as clusters in the landscape, manage land uses inside the PAs (i.e. in community managed PAs) and in areas immediately adjacent to the PAs and in corridors to ensure their conservation compatibility. Currently, the country lacks the tools, skills and policy/legal environment to engage in such a PA management paradigm.
23. Although the government institutions responsible for the management of biodiversity have made significant contribution to their relevant areas, a 2010 review of institutional set up reported that the current framework is not adequate or effective for conservation; and that there were gaps, overlaps and inconsistencies in the mandates and responsibilities for 1) the creation of a protected area network covering all ecosystems; 2) establishment of programs for sustainable utilization of biodiversity (such as community-based natural resource management or CBNRM). The table below highlights these inconsistencies.

Table 3: Institutional Mandates for PA Management in Swaziland

INSTITUTIONAL MANDATE	SEA	SNTC	MOAC	NGOs	Private
Mandate for creating PA network covering all national ecosystems?	No	Partly	No	No	No
Mandate to establish systems of sustainable management of biological resources by local communities?	No	Partly	No	No	No
Mandate to conserve agro-biodiversity?	No	No	Yes	No	No
Mandate for minimizing risk of LMOs?	No	No	No	No	No
Mandate for creating public awareness of, and support for, biodiversity?	Yes	Yes	Yes	Yes	No

24. The weak institutional set up is exacerbated by an equally inadequate legal and policy framework, which the 2010 report described as too outdated and incoherent to support effective biodiversity management under the current context, including expansion of the PA system. The fact that the SNTC still lacks the full mandate for creating a PA network covering all ecosystems and for supporting sustainable management of biological resources by local communities and the private sector has made it difficult to; i) create new PAs along the most recent assessment of protection worthy areas; ii) incorporate community participation in conservation in managed parks. This has made it difficult to reduce the threats to BD emanating from outside the PAs where increasing human population and demand on natural resources is compromising the long-term sustenance of the PAs. Indeed, there are currently 9 prospective conservation areas – (shaded columns in table 1 -Mhlosinga, Mbuluzi, Simunye, Phophonyane, Muti Muti, Shewula, Sibhetsumoya, Oberland, Hawane, Nisela, Usuthu and Shonalanga), which although operating as PAs, have no legal status. This limits their security as conservation areas, as demonstrated by Ubombo Sugar’s plan to cultivate sugar cane on 100 ha in Mhlosinga Nature Reserve (covering 1/4 of its area). There are additional private and community lands that contain important forest resources and wild game but are currently not protected at all; for example Bulembu (Highveld), Jilobi, Tikhuba and Mambane (Lubombo) – (shaded in green in table 2) that would increase tremendously to the PA estate, but are not yet protected. The country needs to urgently gazette these and additional new areas that are an admixture of State, private and community PAs; but the SNTC currently lacks the mandate, authority or capacity to spearhead the process. The amendment of the SNTC to strengthen these mandates is under way and the 2009 Bill has been presented to parliament; the process has however been very slow.
25. The role of mainstreaming biodiversity considerations in land use decisions outside of the PA network is shared between the Swaziland Environment Agency and the Ministry of Agriculture, as dictated by their individual mandates. However, these institutions have weak skills and capacities for enforcing biodiversity compatible land-use, particularly in PA adjacent areas; weak collaboration and coordination between the three institutions further weakens their overall effectiveness. This is further exacerbated by the general lack of skills and incentives for biodiversity friendly practices amongst the farmers and land users in the areas. Land use decisions are inadequately supported by land use planning, and even where this happens, it is rarely based on environmental assessments or biodiversity considerations. For instance the six gazetted PAs do not have comprehensive management plans that take into consideration management of the wider landscapes, integrating management of the PAs, and wildlife corridors/wildlife dispersal areas in multiple land use areas. Ecological corridors are in some areas being cleared for agriculture or allocated to other land uses that do not necessarily support biodiversity conservation, such as commercial and subsistence farming, livestock grazing, roads and settlements.

26. Given the importance of biodiversity in managing the effects of climate change for Swaziland, the implementation of the landscape approach will also need to ensure that biodiversity is managed to enhance social-ecological resilience. Increasing evidence suggest 3 important facts: i) that healthy, biodiverse environments play a vital role in maintaining and increasing the resilience of ecological communities and societies; ii) that diverse, well functioning ecosystems are better able to adapt to climate change than degraded systems; and that iii) functional connectivity in landscapes is a key aspect of ecosystem resilience. Despite this acknowledgement, the science of resilience of ecosystems is a relatively new field of practice in Swaziland. There is a need to cluster PAs to improve structural and functional connectivity between different sites. The country currently lacks the understanding of these concepts, the tools, skills and governance systems to enable the adoption of such a landscape approach.

Sub-optimal management effectiveness and financing of PAs

27. 86% of the gazetted PAs are managed by the SNTC, with the remaining 14% under Private Sector Management (The Big Game Parks). SNTC therefore has the bulk of the mandate for the operations in the PAs. However, a 2010 review of the SNTC⁵ reported that its effectiveness was being limited by weak technical skills, lack of marketing strategy, poor infrastructure for tourism and outdated policies. As a result PA management is not being adequately guided by relevant science or robust management plans; and, enforcement, monitoring and service provision to tourism are ineffective. These capacity gaps are compounded (and compounding) the inadequacy of PA financing. Currently SNTC's revenue is generated from tourism related activities, including entrance fees from various protected areas, accommodation units in nature reserves, camping and fishing and limited donor funding. This however raises only about 10% of the revenues required to manage the PAs and approximately 90% of the organization's recurrent expenditures (salaries and operations) and 100% of capital projects are financed by the government. This financing arrangement is unreliable and has raised on average USD 2 million per year, leaving a USD 1.6 million funding gap per year (as calculated in the Howarth Restructuring and Commercialization report, updated in 2009); seriously affecting the ability of the SNTC to adopt improved PA management practices and improve the METT score.
28. The inadequate funding has particularly derailed the implementation of the recommendations of the SNTC restructuring and commercialization models, which are meant to improve both capacity and sustainability of PA finance. Consequently, all PAs under SNTC are experiencing challenges with marketing their current products at the local, national, regional and international arenas; infrastructure and facilities remain underdeveloped in all the nature reserves with basic physical infrastructure either completely lacking or not up to an adequate standard, and marketing and communications are inadequate. At present, tourism levels and revenues in Swaziland are lower than those of the region, contributing only 2.6% of the GDP against the regional average of 7.8%. The country is currently known mainly as a transit destination for tourists passing from Mpumalanga to Kwazulu-Natal (South Africa) or to Mozambique, with less than 30% of foreign tourists entering the country staying overnight (table 4). And while Southern Africa is widely regarded as a major growth area for the tourism and travel industry⁶, Swaziland is unlikely to be part of this growth if the current challenges are not addressed. Currently the PAs offer very few and basic services - parking, picnic areas, campsites, boat launching, trails, anchorage, education centers, restaurants and shops; consequently, they have very limited numbers of visitors. Although visitor records are incomplete (annex 3), customers come from within the country, South Africa and further abroad. However, revenue collection is limited to nominal fees for the various activities, and are not contributing meaningfully to the management and conservation cost of the PAs.
29. There is however great potential to significantly increase tourist numbers if the country positions itself as a more important destination within the southern Africa tourism industry. The industry currently accounts for 3.3% of total employment in the SADC region (2.2 million jobs)⁷, projected to rise to 8.9 % and 5.5 million jobs by 2015 (ibid). Swaziland's potential growth is in tapping into current initiatives by South Africa and other countries to develop and expand an integrated southeast African tourism circuit linking the very popular wildlife areas inland with the spectacular Indian Ocean coast (e.g. a proposed new Southeast African Tourism Investment Initiative, SEATII, being launched with support from IFC, USAID and others). Swaziland holds a strategic geographic position within these circuits and can significantly contribute to their success, by defining its own unique niche on the basis of its rich cultural heritage and beautiful landscapes. Recent studies indicate that heritage, culture and scenic beauty represent 46% of the total motivation of foreign tourists visiting southern Africa. This is particularly important for community-based tourism development, as isolated small-scale attractions and accommodations rarely can survive just on the basis of tourism flows they can attract in isolation. This potential will only materialize if the current challenges are addressed and tourism facilities upgraded and expanded. A 2010 review of PA customers' willingness to pay reported that user fees could be increased to levels comparable to the better managed PAs in the region but only on condition that products and services were upgraded. The user fees are however regulated by the Public Enterprise Unit which would determine whether or not users pay more. New services were identified in the SNTC commercialization initiative, which include upgraded conference facilities, more accommodation, abseiling and rafting, promoting and marketing the waterfalls, more sightseeing sights, introducing more wildlife in the reserve, cycling, horse trails, swimming pools, more game drives, canoeing, additional campsites and more picnic sites. Indeed, the SNTC current strategy projects that by 2015, visitor numbers

⁵ Cliff Dlamini 2010: Thesis - Towards sustainable financing of protected areas: a Case study of the SNTC. University Of Stellenbosch

⁶ A 1999 study by the World Tourism and Travel Council estimated that the economic contribution of tourism in the SADC region could grow by nearly 6% per year over the next decade (well above a worldwide average of 3.4%).

⁷ Cliff Dlamini 2010: Thesis - Towards sustainable financing of protected areas: a Case study of the SNTC. University Of Stellenbosch

could increase by 500% for Malolotja Nature Reserve and by 2500% for Mlawula and Mantenga Nature reserves; which they expect would increase their share of the country's total tourism revenue from less than 0.4% to 5%, an annual revenue of E10 million. Although this is both necessary for sustainable PA financing and possible given the current low levels of tourism in the country, they are unlikely to be realized unless the current capacity constraints are addressed. In addition, the government has considered taxes and levies as part of the revenue generation drive, which could increase revenue for SNTC considerably. Although this is a major breakthrough for sustainable tourism and nature conservation, SNTC is currently not designed as a commercial entity, and has limited capacity to implement such a scheme. Yet, while there are many potential partnerships which could be exploited for the realization of these additional products and services, SNTC has no capacity to pursue and sustain business partnerships. Of even greater concern to conservation is the possibility of increasing tourism without concurrent technical capacity for PA management; this is because increased tourism activities on the small PA estate could have harmful impacts on biodiversity if not based on strategic environmental and tourism carrying capacity assessments. This is critical for Swaziland given the inadequacy and the skewed nature of the country's PA system. Unplanned expansion could lead to overutilization of biodiversity sensitive areas, affecting wildlife feeding and breeding patterns, exacerbating soil erosion and degradation. Poor infrastructure development could also increase pollution from poor sewage and solid waste management, already problems in some Parks.

B. 2. INCREMENTAL COST FOR THE GEF FUNDS AND THE GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED BY THE PROJECT:

30. The proposed project seeks to strengthen the management effectiveness of the PA system of Swaziland to ensure a viable set of representative samples of the country's full range of natural ecosystems are conserved, through a network of PAs. Given the small size of the country and the distribution of biodiversity important areas, the project will advance a landscape approach that will operationalise a cluster of PAs in three critical landscapes, under an admixture of State, private and community management, depending on tenure, to ensure that communities participate in, and benefit from conservation and strengthen the management capacity and financial wherewithal of the SNTC to manage existing and new PAs. This will be achieved through two components (described below): i) New management paradigm enables PA expansion and removal of threats; and, ii) Strengthening Core PA functions to address existing and emerging threats to biodiversity. This will collectively increase the PA estate by at least 32% over the current baseline and increase the percentage coverage from 4.55 to 5.88% (of the total surface area of the country), and increase the share of SNTC generated PA finance from 10% to at least 30%.
31. The approach will be implemented in three biodiversity rich landscapes which have habitats for threatened species and a high ecological footprints due to the high dependence of communities on biodiversity for livelihoods. The three landscapes are broadly defined as Highveld-Middleveld, Lowveld and the Lubombo Ridge (annex 2). These have been selected for three principle reasons: (1) to represent protected areas and buffer-zone and transitional landscapes of high biodiversity importance under a range of threats; (2) to represent, broadly, the agro-ecological zones of the country and (3) to link into existing trans-frontier conservation initiatives with neighboring countries.

Component I: New paradigm for PA management enables PA expansion and buffer threats removal through co management

32. This component will provide the tools, policy/legal environment, partnerships and skills required to advance a new conservation paradigm in Swaziland, enabling the expansion of the PA system into privately owned game areas and community managed areas. The component will be implemented through two sub-components: under the first one, the project will provide the policy and knowledge enabling environment to support the adoption of the landscape approach. Under this subcomponent, the project will fast track the SNTC amendment Bill and facilitate the harmonization of the PA Regulatory Framework and Game Act, ensuring that they create a policy enabling framework for the effective adoption and sustenance of a landscape approach to BD conservation. This will include ensuring legal provisions requiring that all PAs be managed in accordance with approved PA management plans, which are in line with the provisions of a landscape approach to conservation; allowing communal areas to be declared formal PAs with private and communal land owners directly involved in their management; use of environmental assessments and biodiversity considerations in land-use decisions; leveraging PA finance from private sector, etc.. The project will facilitate the development of simple guidelines to enable the PA managers and partnerships to comply with these PA management regulations. In addition, the project will facilitate the adoption of the systematic biodiversity planning approach as the basis of formulation of the landscape approach to conservation in the three landscapes. Assisted by rejuvenated GIS capacity (tools and skills), the SNTC will update the current report on "Biodiversity Conservation areas" by mapping a wide range of relevant information on biodiversity features, ecological processes, patterns of land use, existing PAs, etc. This will be used to define broad-scale biodiversity plans for the three landscapes based on identified areas for conservation (including critical biodiversity and ecological support areas). It will also be used to set targets for conservation (in line with Aichi targets), identify critical changes in land use required; and, identify optimum partnerships for sustaining the conservation initiative, including the PAs. This will allow the country to build a biodiversity program that focuses not only on species, but also on threatened ecosystems and areas that are critical for maintaining resilience, increasing the effectiveness of conservation efforts.

33. Under the second sub-component, the project will facilitate the consolidation and expansion of the current PA network, particularly to correct the fact that the original PA establishment was not based on systematic conservation planning. To be achieved within the landscape approach, this consolidation will need to be negotiated carefully with existing land uses, respecting existing rights of landowners and communities to live, own and sustainably utilize these resources. The project will facilitate identification and mobilization of arrangements such as community PAs, drop-fence agreements between different small PAs with potential for, or necessary for conservation of biodiversity or ecological processes, etc. In this regard, it will support the gazette of the 9 conservation areas currently operating as PAs but not yet gazette (outlined in grey in table 2, covering an area of 236.5km². it will also support the development co- management framework⁸ involving private sector, communities and NGOs and other relevant stakeholders, to in particular establish small but significant biodiversity rich forest nature reserves in Bulembu, Jilobi, Tikhuba and Mambane Lubombo, covering an area of 12km²; secure ecological/migratory corridors by delineating areas of significant biological diversity in Phophonyane, Muti Muti and Mbuluzi Game Reserve; and, provide direct support to the creation of one additional community managed area (93km² in Usuthu Gorge/Mbabane areas). It will facilitate the development of the requisite community institutional and organizational support to manage the new PAs effectively and profitably. This will include institutional support for advancing co-management with communities, building on experiences and lessons learnt from southern Africa, particularly Namibia. It will facilitate agreements on institutional roles and responsibilities between the various partners (communities, private sector and PA managers) and advance the use of participatory PA planning, joint enforcement, monitoring, dispute resolution, agreeing sustainable use thresholds (minimum harvesting for forest products, livestock stocking rates, etc.).
34. Implementation of these conservation efforts will be supported by an information dissemination strategy to ensure that land users and decision makers at policy and operational level are aware of the spatial biodiversity priorities; and, understand the challenges of taking these priorities into account as well as the tools available to assist them to overcome the challenges. In this regard, the project will facilitate the design and delivery of skills development programs suited to the various categories of stakeholders in the biodiversity management partnerships. It will in particular ensure that the design of the biodiversity management plans are led by inter-disciplinary teams (socio scientists, economists, conservation biologists, ecologists, etc.) and that they incorporate traditional technical knowledge on biodiversity conservation, livelihood support systems and coping mechanisms. This will be complemented by a specific package of training on advocacy and guidelines on BD friendly management practices for the extension service, which will be used to promote replication and upscaling of project experiences.

Component 2: Strengthening Core PA functions to Address Existing and Emerging Threats to Biodiversity.

35. Under this component, the project will build the capacity of the SNTC in two distinct but interrelated approaches: i) boosting the technical and operational capacity with respect to planning, surveillance, policing, monitoring, and infrastructure maintenance: ii) implementing the recommendations of the “Restructuring and Commercialization Report (Harworth Report), which will further boost technical and operational capacity, but most importantly, will increase opportunities for revenue generation and financial sustainability of PA management. Under the first output, operations in the 4 gazetted PAs (Malolotja, Mlawula, Mantenga Hlane covering over 74,000ha) will be strengthened, leading to reduced threats from tourism expansion, poaching, and destruction of wildlife habitats. The project will boost the technical skills of the PA managers and support them in developing, communicating and implementing PA management plans that are in line with the current PA and ecosystems science. In this regard, it is particularly important that the PA managers understand the role of protected areas in conserving biodiversity and communicate this effectively to the communities, private sector and policy makers. They will also be equipped to lead participatory planning for protected area tourism (including policy, stakeholder involvement, conflict management, development and implementation of plans). This is important because for the SNTC to increase its effectiveness, the multi-stakeholder participation in planning processes for PA management must be fostered to create a workable balance between economic, social and ecological/environmental stability in all operations of SNTC.
36. Under output two, the project will assist SNTC to implement the seven recommendations of the Harworth restructuring and commercialization report, namely: adopting a business approach; embarking on a joint natural product enterprise development with communities to increase financial returns from conservation to communities (in conjunction with outcome 1); development of a sustainable tourism framework backed by a viable marketing strategy; developing investment proposals and selling them to private sector investors (particularly for infrastructure development inside the PAs, which cannot be financed by the project), as part of a long-term financing strategy of the SNTC’s PAs. Adopting the business approach will further boost the technical and operational capacity of the SNTC and enable SNTC to pursue partnerships with the private sector to expand tourism products in a sustainable (and conservation-enabling) manner. This will include ensuring that planning for tourism products and facilities are in line with the principles of ecotourism that promote environmental management while minimizing negative impacts on the environment; ensures that seeks to attract tourists with environmental and social ethics; builds environmental awareness, both tourists and residents; provides financial benefits to both communities and the economy for nature conservation; contributes to research and education; and promotes the conservation of environmentally sensitive areas. It

⁸ The country’s Forestry Policy emphasizes community co-management of forestry resources and sustainable use of indigenous forests and woodlands. Under the policy, Forest Reserves can be managed for conservation purposes.

will also take into account an elaborate risk assessment and that adaptive management forms the basis of mitigating any unforeseeable risks in the future. Guidelines and training will be provided to the technical staff, communities and the private sector to ensure that they embrace and utilize these social and environmental safeguards in their businesses. Under the component, the project will also ensure that the SNTC has the requisite capacity to implement the ‘conservation/nature levy the government intends to institute; that systems for visitor management are well planned to avoid environmental pollution and degradation from tourism; that the total value of protected areas (both direct and indirect benefits) and intermediate use services are well captured and communicated to all relevant stakeholders, to motivate them to actively participate in their protection. Finally the project will ensure that PA managers have a good understanding and knowledge of contemporary and innovative sustainable financing mechanisms for biodiversity and protected areas, and that they have sound M&E plans and Indicator Tracking Tables which they use to monitor all aspects of the PA management and conservation.

37. More specifically, the project will facilitate PA business planning and establishment of private/public sector collaboration/joint venture, tourism product development and better marketing (taking into consideration the socio and environmental safeguards in the previous paragraph and others to be identified during the PPG). Ten year business plans for existing and new PAs will be developed, building on the current drafts (developed through the baseline program on restructuring the SNCT). These plans will be operationalized through the formulation and implementation of 3-year general work plans consisting of sustainable tourism development framework supported by new and additional tourism products (e.g. sky walk, nature trails); and a branding and marketing strategy. Implementation of the tourism strategy will be supported through the formation of private/public sector joint ventures on tourism and the development of a human resources management system to acquire and retain relevant skills for accelerating commercialization of tourism. Collectively, these efforts will increase returns on tourism, reducing the PA management financing gap, particularly for the SNTC by at least 25% (*as recorded by the PA Financial Scorecard*).
38. As reported in table 1, the current direct PA investment (baseline) is USD 2 million per year, which leaves a USD 1.6 million gap per year (44%). The project will seek to reduce this gap to at least 25% through two avenues: i) improved tourism facilities and marketing of tourism which is expected to increase tourism revenue; ii) improving efficiencies in PA management (via component 2), which will reduce costs via better management. The 44% gap in PA financing is the figure before PA expansion. However, PA expansion will be achieved through gazetting PAs currently being managed by the private sector and operating as informal PAs (component 1). The formalization of these PAs will not only expand the PA estate, but they will increase resources available for PA management considerably; combined with the gains in management efficiencies the private sector will introduce to PA management (including their assistance to CCAs), the additional resources will go a long way in bridging the remaining gap in PA finance. As shown in tables 4 and 5 below, only about 26% of visitors to Swaziland go into PAs. Improving facilities, products and marketing will increase the percentage of those visiting the PAs, primarily from the current close to a million people who visit the country annually, even if the total numbers visiting the country remains constant. Improving facilities and marketing will also allow integration into the South Africa tourism circuit, which will increase numbers of tourists into Swaziland and into the PAs, with resultant higher revenues.

Table 4: Percentage of visitors to Swaziland visiting PAs

Year	Total number visitors to Swaziland	Number visiting PA	Number visiting CCA
2009	937,000	240,000	81,000
2010	939,000	244,000	27,900
2011	980,000	250,000	39,200
Total in 3 years	2,864,000	754,000	148,100

Table 5: Revenue from Protected Areas (Mlawula, Mantenga and Malolotja Nature Reserves)

PA/year	2007/08	2008/09	2009/10	2010/11	Total
Mlawula	27,809	31,265	56,124	72,911	27,809
Mantenga	225,816	35,410	16,000	16,000	225,816
Malolotja	62,863	54,458	84,667	117,383	62,863
Grand Total	316,489	121,133	156,791	206,294	316,489

B.3. SOCIO-ECONOMIC BENEFITS TO BE DELIVERED BY THE PROJECT, GENDER DIMENSIONS AND GLOBAL ENVIRONMENT BENEFITS:

39. 75% of the 1.1 million Swazis live in the rural areas where livelihoods are dependent on the goods and services derived from ecosystems (watershed, maintenance of soils and soil fertility, pollination, hunting, fruits, clean water and air). This project will deliver two streams of benefits to them: i) direct and immediate livelihood benefits resulting from increased sustainability of natural resource uses and from tourism activities: ii) indirect benefits from improved ecosystems structure and functionality,

such as resilience—critical to the provision of ecosystem services. On the first category, the project will lead to improvement in the management of natural resources in the community PAs, which will increase food productivity and availability of natural products on the farms, with direct benefits to the communities. Swaziland tourism is largely based on nature. Benefits from an increased PA estate and more effective management will therefore improve the viability of the tourism industry. Money spent by tourists in the country (inside and outside PAs) generates value added in the tourism industry which overflows to both the national economy and local communities, through multiplier effects. Currently, about 20% of the tourism revenues accrue to low-income segments of the population through wages, returns to enterprises, rentals and royalties. However, as community participation in tourism has been very limited in the past, the project will lead to increased benefits from tourism for this category of stakeholders, through increased participation. As women are an important stakeholder in food production and household economics, the project will conduct a gender analysis during the PPG stage; in order to identify the ways in which gender relations affect, or are affected by access to, control and use of natural resources, and how these relationships are likely to influence project outcomes and sustainability. The findings will be used to formulate a gender strategy to guide project implementation, to ensure that project targeting promotes effectiveness of implementation, fair and equitable access to and distribution of project benefits.

40. Under the second category of benefits, the project will increase the area under PA by 32% over the current baseline, extending the national PA estate to just below 6% of total area of the country, and will include critical biodiversity and ecologically important areas as part of better managed ecosystems. These measures will increase the integrity and functionality of the ecosystems upon which the majority of the Lesotho economy and livelihoods depend. By focusing on large areas (i.e. PA clusters) the measures are designed to improve ecosystems functionality. The resulting more resilient ecosystems will maintain the ecological and evolutionary processes which allow biodiversity to persist and better withstand human-induced pressures from ecosystems disturbance processes such as fires, fragmentation, invasion of alien species, etc. Healthier ecosystems also are better at adapting to the effects of climate change and climate variability, such as increased temperatures, reduced or more rainfall, more frequent droughts and/or storms; and, mitigate the effects of climate change by continuing to capture and store carbon. Collectively, these measures will improve the delivery of ecosystems services that support livelihoods and economic development of dependent communities such as nutrient cycling in soils for agriculture, preventing soil erosion, control of floods, watershed services, and reduce vulnerability of communities to the effects of climate change.

B.4. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS AND MEASURES THAT ADDRESS THESE RISKS:

Risk		Mitigation
Institutional collaboration proves to be too difficult and derail collaboration and project implementation and impacts	L	The effectiveness of the project as well as the sustainability of its impacts is highly dependent on functional collaboration between the 3 lead institutions, the private sector and communities. Component 1 will address collaboration, particularly establishing the legal environment and providing capacity and institutional mechanism for functional collaboration. The project management structures to be outlined during the PPG will in particular provide a strong basis for addressing the risk of inadequate or ineffective collaboration during project implementation. The PPG process will also be utilized to identify the most effective implementation arrangement for securing the project impacts in the long term.
Communities continue to hold strong negative perceptions about PAs because in the past they have not been adequately compensated for the opportunity cost of not accessing natural products in the PAs freely. This might compromise the success of the community conservation area particularly as short-term costs may appear to be greater than benefits due to stronger enforcement elements.	M	The communities around the PA buffer zones and areas proposed for the CCA have been involved in the discussion on the PA work in three stages: i) during the initial assessment of the protection-worthy areas; ii) in the processes of establishing the Lubombo Conservancy and TFCA initiatives; and, iii) during the formulation of this PIF. These consultations are on-going and form part of Swaziland’s TFCA Programme of work. They will also continue during the project formulation stage (PPG). The project will build on the strong community education and BD advocacy program of the baseline (particularly the SNCT) to cultivate support of the buffer communities. This will be complemented by the implementation of the land use plans and increased participation in tourism business (through CBNRM) which will demonstrate the returns from biodiversity conservation. The communities will also be made aware of the second tier of benefits (ecosystem services) obtained from healthier ecosystems, and which are additional to the financial returns expected from eco-tourism.
Increasing sustainability of PA financing depends, to a large extent, on increasing domestic and international tourism. Swaziland still lacks an outgoing culture among its citizens, which might hinder increasing domestic tourism. The drive to increase international tourist numbers might also be affected by the global economic and financial down-turn	L	Domestic tourism is being addressed by the baseline program (restructuring and commercialization of SNCT), which is mounting an aggressive national campaign to encourage domestic tourism. The project will support this effort by developing tourism products targeted at the various segments of potential tourists. On the international tourism, the unique and versatile culture of the Kingdom remains an international source of interest and a major draw card for the tourism industry coupled with the fact that there is now a defined calendar of national and cultural events enabling potential tourist to plan accurately. The country continues to be regarded as a relatively safe environment for tourists and residents and this contributes to developed preferences and positive attitudes of tourists. In addition, the

Risk		Mitigation
		infrastructure network in the country is relatively well developed and advanced, compared to neighbouring states with the exception of South Africa. This presents an opportunity for foreign direct investment attraction and general economic development. Indeed, the completion of Sikhuphe International Airport will connect Swazi PAs to others areas such as Kruger National Park, TFCA. The project will build on these positive aspects in the branding and marketing of the country as a tourist destination. Combined with the baseline initiative on developing the infrastructure further, these measures will contain this risk
Climate change might ecosystems and biodiversity negatively: Swaziland's NAPA reports that the climate is likely to get more unpredictable but certainly drier, even if the global levels of GHG stabilize at the current levels. Swaziland has in the recent past been affected by large variations in rainfall and recurring droughts.	Med	Maintaining healthy ecosystems plays a key role in adapting to and mitigating effects of climate change; the project will contribute to improving the integrity of the ecosystem and therefore contribute to improving resilience to climate change.

B.5. KEY STAKEHOLDERS INVOLVED IN THE PROJECT AND THEIR RESPECTIVE ROLES:

Stakeholder	Relevant roles
Swaziland National Trust Commission – SNTC (a parastatal that manages several of the core-protected areas); Swaziland Environmental Authority (SEA) (a parastatal responsible for environmental management) of the Ministry of Tourism and Environmental Affairs, also the GEF and UNCBD focal point); Forestry Section of the Ministry of Tourism and Environmental Affairs; Land Use planning Section of the MoA.	The SEA will be the key executor of the project, in very close collaboration with the SNTC. The two will benefit from the project as well as provide operational support. The SEA will also provide advisory input on forestry and wildlife issues. These will be supported by the Forestry Section and the Land Use Planning Sections who are responsible for forests and land use planning and management issues, respectively.
Private land owners (TDL) operating private game reserves and nature conservancies e.g. the Mhlosinga Wildlife Producers Association	Owners of private lands with high biodiversity values will be part of the collaborative agreement to establish conservation at a landscape level. Some of the lands may be part of connectivity corridors. They will also contribute experience in running tourism ventures, including ecotourism
Yonge Nawe, a leading NGO devoted to environmental issues in Swaziland, Natural History of Swaziland, the Conservation Trust of Swaziland, the Traditional Healers Organisation, ..	These NGOs play an important role in educating communities on the importance of, and practical ways of conserving biodiversity. They will benefit from the capacity building activities of the project while providing important mechanisms for the awareness raising work.
The Umbuluzi Catchment Association	The association is involved with the management and conservation of the Mbuluzi Catchment and the associated biodiversity. They will contribute experience in economic use biodiversity, while benefiting from the capacity building activities of the project.
Subsistence smallholder farmers (mostly mixed crop and animal farmers in the buffer zones) and areas targeted as community conservation areas	Smallholder farmers will be direct project beneficiaries, either through participation in the CCA and/or delivering outputs that will lead to reduced threats to protected areas. Communities in these areas have been continuously consulted through an on-going process, firstly when the protection-worthy areas surveys were undertaken and secondly in the processes of establishing the Lubombo Conservancy and TFCA initiatives; and, finally during the formulation of this PIF. These consultations are on-going and form part of Swaziland's TFCA Programme of work. They will also continue during the project formulation stage (PPG).
The Lubombo Conservancy (a collection of public sector, private sector and communal area stakeholders)	Representing a spectrum of stakeholders with a common vision on conserving biodiversity and sustainable development through ecotourism and other biodiversity friendly economic activities. Together with the private land owners, they will contribute expertise while benefiting from the expanded tourism markets.
Trans-frontier Conservation Area (TFCA) initiatives, comprising three TFCAs (Highveld, Lowveld and Lubombo)	TFCAs will support the work in three project landscapes, ensuring the national benefits gained through the project link to the wider contexts of the TFCAs and align objectives.
Ministry of Agriculture (MOA) and the Ministry of Natural Resources & Energy	The partner ministries will support the work of the sister ministry MTEA by offering technical assistance relating to the particular mandates of each ministry, such as in issues relating to land degradation, climate change, energy, land use, agriculture and livelihoods development.

B.6. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

41. The project will be co-implemented by the Swaziland Environment Agency (SEA) and the Swaziland National Trust Commission (SNTC), both of the Ministry of Tourism and Environmental Affairs, in close collaboration with Forestry and Land Use Planning Sections of the Ministry of Agriculture. The specific division of project activities will be detailed during the PPG and reported at CEO endorsement. The project will build on ongoing support from GEF and UNDP to environmental projects especially GEF-LUSIP. Excellent relations already exist between the SEA, and the Ministry of Agriculture and its related parastatal SWADE which runs LUSIP-GEF, a project that is currently focused on restoring ecosystem and agricultural functions in an irrigated area along the Usuthu River. There are also smaller conservation projects funded by the EU and UNDP in Swaziland. The coordination with other related activities, notably the SADP and the LUSIP-GEF projects and the CEPF project in Lubombo landscape, is expected to take place through a multi-sectoral steering committee made up of representatives from relevant institutions involved in similar initiatives. A strong project management unit will be established to implement this GEF project and establish and maintain relationships with relevant institutions and organizations.

C. UNDP’S COMPARATIVE ADVANTAGE TO IMPLEMENT THIS PROJECT:

C.1. INDICATE THE CO-FINANCING AMOUNT THE GEF AGENCY IS BRINGING TO THE PROJECT:

UNDP is leveraging a total of \$25 million of co-financing including a grant contribution of \$1,000,000 of its own to the project, building upon its long standing commitment to the effective implementation of GEF supported projects and previous commitments to similar projects.

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:


42. This project is aligned with one of UNDP’s signature programs on biodiversity which focuses on unleashing the economic potential of Protected Areas so that they are better able to fulfill their management functions, are sustainably financed, and contribute to sustainable development. Currently, UNDP is supporting GEF financed and other initiatives aimed at strengthening PA management effectiveness, and PA financial sustainability in some 1000 PAs globally with a combined area of 130 million hectares. UNDP will ensure that lessons learned from this work are applied in the Swaziland PAs. At country level, UNDP has a long standing environmental programme with the Government of Swaziland, which has strengthened capacity in national policy development with regards to multi-lateral environmental agreements. Interventions proposed under this project are in line with the UNDAF for Swaziland for the period 2011-2015, which aims to strengthen environmental governance. The Environment and Climate Change Component of the UNDAF acknowledges that sustainable development and poverty reduction can be partially enhanced by successful/improved management of natural resources which directly supports outputs of the proposed project (especially Component 2) as they will inter alia strengthen institutional capacity to manage the environment and in particular implementation of the CBNRM policy. These UNDAF initiatives coupled with the proposed project will ensure that the rural poor (especially women) enjoy greater benefits from the environment and natural ecosystems, which is one of the main outcomes of the UNDAF 2011-2015.

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

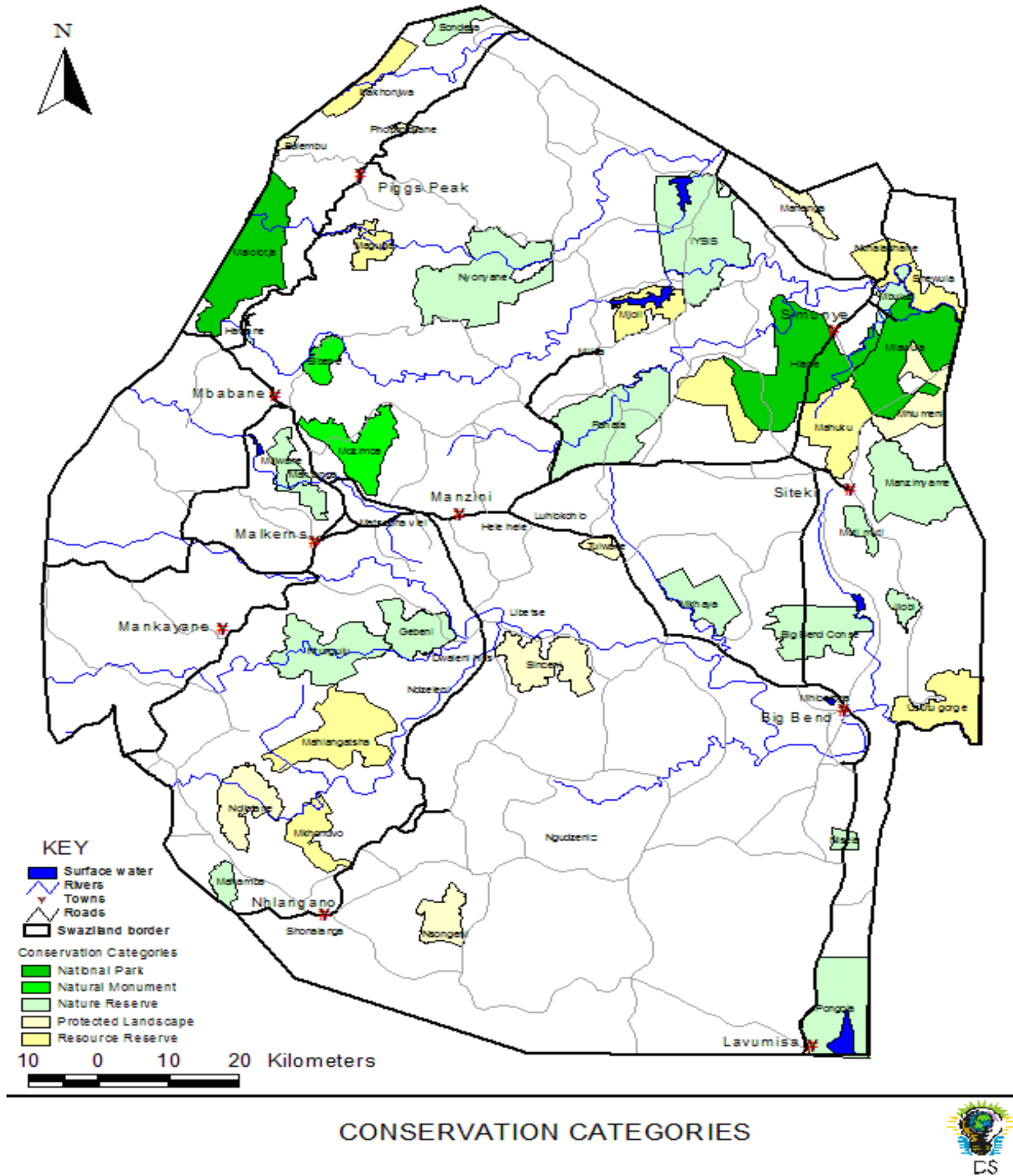
A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

Name	Position	Ministry	Date
Jameson Vilakati	OFP and Director SEA	Ministry of Tourism and Environmental Affairs	15/12/2011

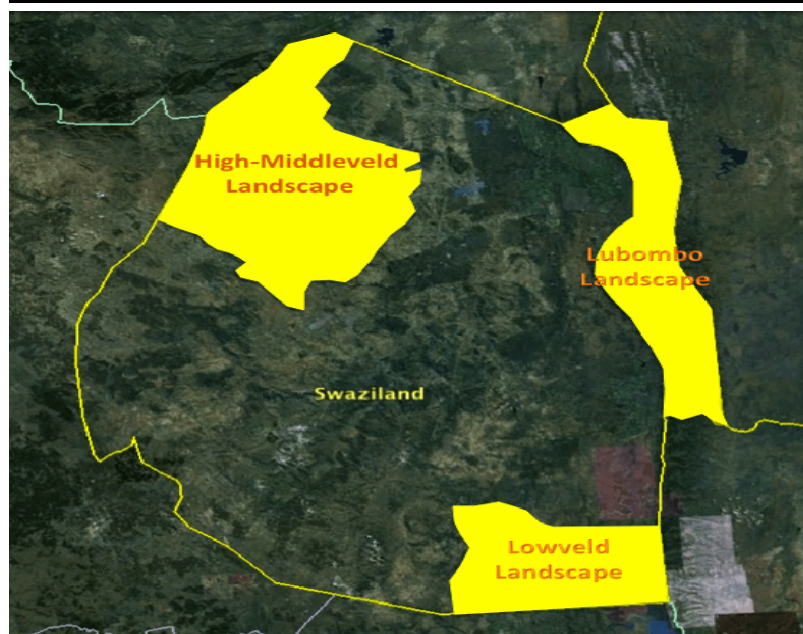
B. GEF AGENCY CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.					
Agency Coordinator, name	Signature	Date	Project Contact Person	Telephone	Email Address
Yannick Glemarec, UNDP/GEF Executive Coordinator		September 10, 2012	Veronica Muthui; RTA, EBD	+2712 354 8124	veronica.muthui@undp.org

ANNEX 1: MAP OF PROTECTED AREAS IN SWAZILAND



ANNEX 2: ILLUSTRATIVE MAP OF THREE TARGET LANDSCAPES FOR THE PROJECT⁹



ANNEX 3: VISITORS TO THE VARIOUS NATURE RESERVES AND PROGRAMS

Protected Area	Customers	%	Comments
Malolotja Nature Reserve and Hawane	Sightseers	13.0	Hikers are the main customers
	Hikers	65.0	
	Fisherman	2.0	
	Tourism operators	Undisclosed	
Mantenga Nature Reserve	Sightseers	8.0	Visitors of the cultural are the main customers
	Campers	1.0	
	Hikers	2.0	
	Boaters	0.05	
	Shops	2.0	
	Cultural Village	40.0	
	Restaurant	15.0	
	Eco-lodge	29.0	
Guides	2.95		
Mlawula Nature Reserve	Sightseers	Undisclosed	Eight types customers of were mentioned (as outlined in column two) but specific statistics were not available
	Campers	Undisclosed	
	Hikers	Undisclosed	
	Bird clubs	Undisclosed	
	Shops	Undisclosed	
	Cultural Village	Undisclosed	
	Eco-lodge	Undisclosed	
	Guides	Undisclosed	

⁹ Illustrative overlay of three proposed project landscapes onto a Google Earth raster image based on national level participation exercises at PIF creation stage: actual landscapes areas; sizes and degrees of connectivity will be determined during PPG stage.