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

OFFICE MEMORANDUM

DATE: January 7, 2002

TO: Mr. Ken King, Assistant CEO, GEF Secretariat
Att: GEF PROGRAM COORDINATION

FROM: Lars Vidaeus, GEF Executive Coordinator

EXTENSION: 3-4188

SUBJECT: **Country Name:** *Namibia*

Project Name: *Integrated Ecosystem Management in Namibia through the National Conservancy Network*

Submission for Work Program Inclusion

Please find enclosed the electronic attachment of the above mentioned project brief for work program inclusion. We would appreciate receiving any comments by January 14, 2002.

The proposal is consistent with the *Criteria for Review of GEF Projects* as presented in the following sections of the project brief:

- Country Drivenness: *B1 Sector-related country strategy p. 4; B2 Main sector issues and government strategy p. 5-12; D4 Indications of recipient ownership p. 24-25*

- Endorsement: Letter of endorsement, attached, was received on December 18, 2001.

- Project Designation & Conformity: *B1 Global operational strategy p. 4-5*

- Project Design: *B3 Sector issues and strategic choices p. 12-14*; *C1 Project description summary p.14-16; Annex 1 Project Design Summary p. 30-39*; *D1 Project alternatives considered p. 20; D3 Lessons learned p. 21-24; Annex 5 Conservancy status matrix p. 66-70*

- Sustainability: *F1 Sustainability p. 27-28, Annex 3 on Root causes/threats analysis p. 49-52*

- Replicability: *B3 Sector issues and strategic choices p. 12-14; C1 Project description summary p.14-16 and Annex 1 Project Design Summary p. 30-39*

- Stakeholder Involvement: *C3 Benefits and target population* p. 16-18; *E6 Social p. 26-27*

- Monitoring & Evaluation: *C4 Project Monitoring and Evaluation p. 19; Annex 1 p. 30-39*

- Financing Plan: *C1 p. 15-16*; *Annex 2 Incremental Cost Analysis p. 40-48*

- Cost-effectiveness: A cost effectiveness analysis is difficult to carry for demand driven community based operations. However, the Brief makes clear that the project stresses enhanced cost effectiveness in delivering services to the conservancies as well as in the management of conservancies at the communities level. Such an approach will be fostered by output and result oriented processes as well as by an emphasis on long term sustainability. Sustainability can not be achieved under a Program that would not put cost effectiveness on the top of its list of guiding principles.

- Core Commitments and Linkages**:** *B1 p. 4 WB technical assistance portfolio* in particular related to the decentralization, NRM, HIV/Aids and *D2 Major Bank-financed projects p.21*; *D5 Value added of Bank p. 25*

- Consultation, Coordination and Collaboration between IAs: *D2 Major related projects financed p. 21*

- Response to GEFSEC review at the time of pipeline entry: At the time of PDF-B approval (01/18/01), all GEFSEC comments had been addressed accordingly and no additional comments have been raised by the GEFSEC prior to WP entry.

Please let me know if you require any additional information to complete your review prior to inclusion in the work program. Many thanks.

Distribution:

Messrs.: F. Pinto, UNDP
A. Djoghlaf, UNEP (Nairobi)
K. Elliott, UNEP (Washington, DC)
M. Gadgil, STAP
M. Griffith, STAP (Nairobi)
Y. Xiang, CBD Secretariat

cc: Messrs./Mmes. Kiss, Crepin; Warner, Rechbauer; (AFTES), Castro, Khanna, Wedderburn, Aryal (ENV); ENVGC ISC, AFR Regional Files

PROJECT BRIEF

1. IDENTIFIERS:

PROJECT NUMBER:	P073135
PROJECT NAME:	**Namibia: Integrated Ecosystem Management through the National Conservancy Network**
DURATION:	5 years (a second phase is planned)
IMPLEMENTING AGENCY:	World Bank
EXECUTING AGENCY:	Namibian Association of Community-Based Supporting Organizations (NACSO)
REQUESTING COUNTRY:	Namibia
ELIGIBILITY:	UNCCD signed in 1992, ratified in 1997 UNFCCC signed in 1995, ratified in 1998
GEF FOCAL AREA:	Multi-focal
GEF PROGRAMMING FRAMEWORK:	OP12: Integrated Ecosystems Management with strong relevance to OP 1: Arid- and semi-arid ecosystems

2. SUMMARY:

The Namibian approach towards Community-Based Natural Resource Management (CBNRM) is embedded in an initial policy and legal framework that grants rights over wildlife and tourism management and uses to communities on their lands once they are organized as conservancies. The national CBNRM/Conservancy program responds thereby to national development and environmental priorities by:

(i) supporting sustainable use and conservation of Namibia's unique ecosystems and related biodiversity (the majority of biodiversity is found outside the National Park network);

(ii) promoting appropriate land management schemes in an environment where availability of water and suitable rangeland as well as land degradation are the key limiting factors to sustainable management of scarce resources;

(iii) contributing to reduce poverty in rural areas by providing diversified livelihood strategies through responsibility over local resources, thereby addressing the root causes of threats to unsustainable ecosystem management; and

(iv) promoting participatory, accountable and democratic systems of local and regional governance.

The purpose of the Project is to provide a GEF support to the development and implementation of the national CBNRM/Conservancy Program by assisting stakeholders under the Namibian Association of CBNRM Support Organizations (NACSO) partnership, to establish, operationalize and strengthen conservancies and related community-driven sustainable integrated ecosystem management activities that improve livelihoods and empower communities in rural Namibia. The *global objective* is to enhance biodiversity conservation and to alleviate land degradation by supporting integrated ecosystem management in the expanding conservancy network of Namibia.

To date, the main focus of efforts towards a national community-based natural resource management (CBNRM) Program has been on the establishment and use of a limited number of conservancies as a vehicle for the management of wildlife within communal areas. Individual conservancies have been piloted in a number of strategic regional locations. Based on the preliminary success and a broad-based participation, ownership and interest of stakeholders, the

Government of Namibia and its partners under the NACSO partnership have decided to step up this effort and to request incremental GEF support :

(i) to develop a coherent national financial, legal and policy framework for sustainable CBNRM through integrated ecosystem management;

(ii) to improve capacity of the CBNRM support organization network to deliver cost-effective and demand-driven services to conservancies;

(iii) to create representative, accountable, participatory and financially viable decision-making and management institutions in conservancies;

(iv) to improve the natural resource base of conservancies based on ecologically sound integrated planning, management and M&E mechanisms at national and conservancy levels;

(v) to generate increased, tangible , equitably shared socio-economic benefits to conservancy members and other stakeholders through sustainable utilization of natural resources;

(vi) to support the overall Program coordination and management.

GEF resources will be used to support targeted conservancies (i) with global environmentally important assets; (ii) with strong community-driven demand and ownership; (iii) with strong perspective for sustainability; (iv) where GEF catalytic role leads to additional leverage of resources addressing root causes and other local development needs; (v) which contribute to the development of best practices for dissemination; (vi) where replication is facilitated; and (vii) which contribute to a landscape approach.

3. COSTS AND FINANCING (MILLION US):

GEF Financing :	Project (excluding PDF-B 0.295)	7.1
Sub-total GEF :		**7.1**
Co-Financing :	USAID	7.5
	DFID	4.5
	GTZ NAPCOD/SARDEP	0.8
	Central and local Government	3.0
	SIDA	1.2
	EU – Rural Dev. Framework	3.0
	Govt. of Finland	2.0
	Private Sector Joint Venture	1.0
Sub-total Co-financing :		23.0
Total Project Cost :		30.1

4. OPERATIONAL FOCAL POINT ENDORSEMENT:

Teo Nghitila, Acting Director of Environmental Affairs at the Ministry of Environment and Tourism (MET)
Date: December 18, 2001

5. IA CONTACT:

World Bank, Regional Coordinator Africa Region, Christophe Crepin, Telephone: 202 – 473 9727, Fax 202 – 614 0893.

A. Project Development Objective

1. Project Development Objective: (See Annex 1)

- The Namibian approach towards Community-Based Natural Resource Management (CBNRM) is embedded in an initial policy and legal framework that grants rights over wildlife and tourism management and uses to communities on their lands once they are organized as "conservancies". A *communal conservancy* consists in setting aside part or all of the land of a given community with the intention to conserve and valorise wildlife through its sustainable consumptive and non-consumptive uses within nature-related activities. Namibia is certainly leading this kind of enterprise even though other neighbouring countries have embarked in similar ventures. A *freehold conservancy* consists in aggregating two or more adjacent private properties in a single wildlife management unit without abandoning individual ownership of the land. In most cases, internal fences are removed while the perimeter fence is reinforced, and the classic livestock industry is replaced by wildlife-related activities.

The national CBNRM/Conservancy program responds to national development and environmental priorities by:

(i) supporting sustainable use and conservation of Namibia's unique ecosystems and related biodiversity (the majority of biodiversity is found outside the National Park network);
(ii) promoting appropriate land management schemes in an environment where availability of water and suitable rangeland as well as land degradation are the key limiting factors to sustainable management of scarce resources;
(iii) contributing to reduce poverty in rural areas by providing diversified livelihood strategies through responsibility over local resources, thereby addressing the root causes of threats to unsustainable ecosystem management; and
(vi) promoting participatory, accountable and democratic systems of local and regional governance.

The **project development objective** is *to assist stakeholders, under the NACSO partnership*[1]*, to establish, operationalize and strengthen conservancies and related community-driven sustainable integrated ecosystem management activities that improve livelihoods and empower communities in rural Namibia.*

The **project global objective** is *to enhance biodiversity conservation and to alleviate land degradation in the expanding conservancy network of Namibia.*

The Project's expected outcomes can be described as follows :

1. Improved coherent financial, legal, organizational and policy framework for sustainable development through integrated ecosystem management;
2. Improved capacity of support organization network to deliver efficient, cost-effective and demand-driven services to conservancies;
3. Enhanced representative, accountable, participatory and financially viable decision-making and management institutions in conservancies;
4. Improved resource base, biodiversity conservation and land management through ecologically sound integrated planning, management and M&E mechanisms in conservancies;
5. Increased, tangible, equitably shared, socio-economic benefits accrued to conservancy members and other stakeholders from sustainable utilization of Namibia's natural habitats, related biodiversity and other natural resources.

[1] See Annex 6 for description of NACSO members

2. Key Performance Indicators: (See Annex 1)

(i) Expanded area under conservancy management
(ii) Number of registered conservancies
(iii) Total income and benefits from communal conservancies
(iv) Local resource monitoring methodology for measuring status and trends of biodiversity conservation, land and water degradation and socio economic impacts available and applied in conservancies
(v) Globally significant biodiversity in conservancies maintained and enhanced through protection of indicator species and key habitats
(vi) Increase of restored and rehabilitated degraded land

B. Strategic Context

1. Sector-related Country Assistance Strategy (CAS) goal supported by the Project: (see Annex 1)

There is no CAS available for Namibia. The current Bank involvement in Namibia focuses on providing technical assistance to support the government's efforts to reduce poverty, support decentralization, address HIV/AIDS, and enhance management of natural resources (i.e. water sector).

In synergie with on-going efforts, the project will contribute to *"Poverty alleviation through enhanced natural resource management"*. This goal emerged out of the Government of Namibia's National Development Plan I and II. The current Vision 2030 process reconfirms this goal and defines the overall perspective for the natural resource sector as follows: "Namibia shall develop its natural capital for the benefit of its social, economic and ecological well-being, by adopting strategies that (i) promote the sustainable, equitable and efficient use of natural resources; (ii) maximise Namibia's comparative advantages; and (iii) reduce all inappropriate resource use practices."[2]

The CBNRM and affiliated Conservancy Program are gaining credibility within Namibia and are widely recognized and supported in the ***National Development Plan II*** *(NDP II) 2001*. This document now presents in ten of its 48 chapters CBNRM development approaches and/or conservancies as cross-cutting strategies to further sustainable natural resource management, rural development, and poverty alleviation and equity. In particular, CBNRM and conservancies are seen as vehicles for achievement of the NDP II development goal no. 2 and its respective objectives: *"Promote environmental and ecological sustainability"* with three objectives: (i) *Policy and legislative framework for sound environmental management and sustainable use of natural resources in place by 2005; (ii) Institutional arrangements for promoting integrated and coordinated approaches to sustainable development operational by 2005; and (iii) Programs on biodiversity, pollution and waste management and urban environment operational by 2005.*

1a. Global Operational strategy/Program objective addressed by the project:

The activities proposed under this project are fully consistent with the priorities of the GEF Operational Strategy and the GEF operational programs for integrated ecosystem management (OP 12) as well as for arid and semi-arid ecosystems (OP 1). The recognition and conservation of ecosystem structures and functioning to maintain, increase and diversify ecological services in communal as well as in freehold

[2] Vision 2030 is intended to guide the country's five year development plans from National Development Plan (NDP) III to VII and to provide direction to government ministries, private sector, NGOs and local authorities.

conservancies, are priority long-term targets of the integrated management approach at appropriate spatial and temporal scales promoted by the Namibian Conservancy network. The integrated ecosystem management approach represents a strategy that promotes conservation and sustainable use of natural resources in an equitable way and aims to reach a balance of the Convention on Biodiversity interlinked objectives: conservation; sustainable use; and the fair and equitable sharing of the benefits arising out of the utilisation of natural resources.

Specifically, the project is compatible with OP12 opportunities to achieve multiple focal area benefits because it would focus on:
(i) Attack root causes of threats to biodiversity, land degradation and adaptation to climate change
(ii) Integrating activities that address local level issues as well as national enabling environments
(iii) Monitoring systems to track and help understand ecosystem indices
(iv) Increasing capacity of community-based organizations to plan and sustainably manage their natural resource bases and to promote diversified livelihoods
(v) Framing socio-economic conditions conducive for integrated ecosystem management at local, regional and national levels
(vi) Sharing experiences (traditional and modern knowledge), dissemination of best practices for replication and policy recommendations
(vii) Long-time approach over two phases of 5 years each with benchmarks to enhance feedback loops for flexible monitoring and evaluation systems to ensure results on the ground

The project responds to the guidance from the COP of the Convention on Biological Diversity as it addresses in situ conservation and sustainable use of biodiversity. It focuses on the further development of CBNRM for Namibia through the conservancy network. CBNRM is an established concept under the CBD, and is of particular relevance to COP guidance on involvement of local people (see decision I/2, annex I, paragraph 4(j); decision III/5, paragraph 5; decision V/13, paragraph 2 (i). A network of conservancies (conservancy associations) is desirable for exchanging of information and experience. National and local level conservancy and biodiversity monitoring and evaluation will be essential, this would contribute to the implementation of COP guidance on identification and monitoring indicators (see decision V/13, para. 2(j); decision I/2, annex I, para. 4(d). Furthermore, the COP provides guidance on innovative measures related to conservancy-private sector partnership and associated awareness raising (see decision I/2, annex I, para. 4 (i); decision III/5, para. 3; decision IV/13, para. 7; decision V/13, para 2(h), decision III/5, para. 6(b); decisión V/13, para. 2 (l)). Additional relevant articles of the CBD (Stratégie Mondiale de la Biodiversité, 1994), are

- Item VIII Action 59: "augment the ecological and social value of protected areas by (i) acquiring and zoning land tracts outside the protected areas and (ii) financial incentives for conservation on adjacent private land";
- Box 6: "…allow communities to manage their own environment. For that, the communities must obtain the rights and adequate knowledge to operate."
- Box 7: "The costs and advantages of biodiversity conservation must be shared more equitably between nations and between citizens".
- Box 8: "Integrate the management of biodiversity in the whole range of human activities: … sustain private initiatives of conserving biodiversity in the private sector…". "Adopt new policies and accounting methods to encourage the conservation and equitable utilisation of biodiversity; …develop innovative, decentralised and reliable means to raise and efficiently spend funds;sustain initiatives for conserving biodiversity in the private sector."

Moreover, it may be stressed that Namibia is especially hosting (i) taxa of critical importance & (ii) issues of global relevance:

(i) The human vs. wildlife conflict has been tackled for a long time in this country, with mitigated success, e.g. predation by the Namibian cheetah, world's largest population of the

taxon, still poses problems to the livestock industry, whether commercial cattle ranches or communal pastoralists; the conservancy model brings an opportunity to revisit conventional approaches towards large predators in coexistence with man.

(ii) Common in Namibia, desert & semi-desert environments have shaped drought-resistant flora & fauna through millenaries of harsh co-evolution. Exotic species such as domestic animals and crops have not gone through this natural process. With the development of adaptive sustainable-use management practices in conservancies, natural habitats can be rehabilitated and maintained and their products given added value, giving new development opportunities to rural communities.

Furthermore, the project responds to guidance from the Convention to Combat Desertification which takes an innovative approach, the combination of measures planned for poverty alleviation and prevention of land degradation. In the Convention's framework, human-induced pressure on natural resources, which is identified by the CCD as the main cause for desertification processes, is seen mainly as a result of poverty. Therefore, income generation and poverty reduction is regarded as key elements for halting the world-wide spread of land degradation. Namibia's National Action Programme to Combat Desertification (NAPCOD) came into effect in 1994 and represents the Namibian efforts to fulfill its obligations as signatory to the convention. It focuses mainly on two inter-linked purposes: Firstly, improving sustainability of natural resource use through establishment and training of Community-based Organizations, and secondly, reducing poverty through safeguarding existing as well as generating alternative sources of income. Activities undertaken in the framework of NAPCOD are predominantly targeted at communal areas.

2. Main Sector Issues and Government Strategy:

This section will, first present the country socio-economic and environmental context (2.1). Then, it will provide an analysis of three important sector issues and related government strategy linked to the CBNRM conservancy movement: (i) Improving livelihoods and empowering communities (2.2), (ii) Achieving sustainable environmental benefits (2.3), (iii) Developing sustainable community-based tourism (2.4).

2.1. Country socio economic and environmental context

2.1.1. Socio-economic context

Namibia is a vast, arid and semi-arid country with the majority of its population living on marginal communal lands. Though Namibia boasts a rich diversity of cultural groups, the apartheid legacy of the country has left a fractured and distorted socio-economic setting. Half of the population is considered to be living below the poverty line, and the top seven percent of the population account for 48% of national consumption. The unemployment rate is between 35% and 40%. Malnutrition rates in many rural areas are among the highest in southern Africa. Income distribution is one of the most unequal in the world, with a Gini-coefficient of 0.7. It is estimated that 55 % of Namibians are below 20 years of age. Only 40% of the adult population is literate. In 1998, Namibia ranked 108 (of 173 countries) on the United Nations Human Development Index Report – considerably below South Africa's 95 and Botswana's 74 ratings.

Industries and sectors such as mining, fisheries, tourism, agriculture and livestock production (cattle and sheep), as well as energy, are currently the main contributors to the gross domestic product (GDP). These are almost entirely natural resource based and require a careful management of water and land. Preservation and wise use of these resources will strongly contribute to ensure sustained economic growth and ultimately an increase in the standard of living of the Namibian people. This supports government's policy of poverty reduction, equitable distribution of national wealth and greater prosperity for all Namibians.

There are three major types of land tenure that occur in Namibia: *Private lands*, found mostly in the central and more productive regions of the country, comprise approximately 44% of the country. While in contrast, *communal lands* (found mostly in the north, east and south central regions) encompass around 42%, and *protected state lands* almost 14%. The socio-economic disparity between different ethnic groups in Namibia is further reflected by inequitable settlement patterns. The 1991 census data indicated that 67.6% of the population lives in the communal areas, while 32.4% are resident in the freehold lands – with roughly 24% of this latter population living in commercial urban centers.

2.1.2. Environmental context (see annex 3 Environmental threats and root causes analysis)

The country covers an area of approximately 824,000 km2 and is regarded as one of the driest countries south of the Sahara with a country-wide average of less than 250 mm rainfall per year (range 5 - 700mm). Four terrestrial biomes are recognized, (i) the desert (coinciding with rainfall of <150 mm), (ii) the semi-arid thornveld savanna (150-400 mm), (iii) the dry sub-humid woodlands (400-700 mm) and (iv) freshwater wetlands. The riverine wetlands in the northern part of the country provide corridors for the intrusion of tropical flora and fauna from higher rainfall areas. These northern areas contain highly diverse ecosystems, particularly at the interface of wetlands, riparian belts and dry woodlands. They support important populations of globally threatened species, including elephant, wild dog, wattled crane and slaty egret. The greater part of Namibia consists of arid and semi-arid rangelands with little to no permanent surface water. These areas, while being less diverse, support the typical megafauna of Africa such as wildebeest, buffalo, giraffe, zebra, oryx, kudu, eland, hartebeest, springbok, etc. and their associated large predators, including lion, cheetah and hyaena. Other areas have particularly high proportions of endemic species – endemic to both the southern African subregion and to Namibia. The southern African endemics are part of the so-called "south-west arid" zone, which encompasses the Kalahari ecosystem. Part of this ecosystem occupies the eastern third of Namibia, and the Karoo system, which extends as a tongue to just south of Rehoboth, sandwiched between the Kalahari in the east and the Namib in the west.

While 14% of Namibia has been set aside as state-controlled parks and reserves, the protected area network is heavily skewed towards the Namib biome, leaving savannahs, woodlands and Karoo biome badly underrepresented. Further, entire vegetation types are wholly unprotected and face imminent threat of degradation from the growing needs of Namibia's estimated 3.2% annual growth rate of human population.

Attendant with high population growth rates are escalating land demands for settlement, subsistence agriculture and livestock grazing. Such threats are further compounded by fragmented governmental policies that, in many cases actually promote human settlement, subsistence agriculture, and livestock production in unsuitable and highly marginalized arid and semi-arid regions of the country (22 % arid, 70 % semi-arid and 8 % dry, sub-humid areas). In such instances, human settlers and livestock compete with wildlife for sparse sources of water and grazing in highly fragile ecosystems that should most appropriately be managed and sustainably utilized as wildlands for Namibia's rapidly growing tourism market.[3]

2.1.2.1. Biodiversity

Namibia's biodiversity includes innumerable species of wild plants and animals. Only a small number (possible as little as 20 %) have been described to date. Of the 13637 species, almost 19 % are endemic or unique to Namibia. Natural ecosystems provide vital genetic material (required to enhance domestic crop and livestock species) and essential life sustaining services (food, fibre, medicine, tourism opportunities,

[3] See annex 3 Environmental threats and root causes analysis

etc.) It can be assumed, that those areas in Namibia that have the highest human population and livestock densities and that have been subject to extensive land clearing are those that have suffered the highest losses in biodiversity. The importance of wildlife harvesting to subsistence economies in rural areas cannot be underestimated (33 % total household consumption in rural areas comes from wild foods). The most important wild products include: thatching grass, medicinal products and veld foods (from nuts, fruits, leaves, roots and bark), meat, firewood, wood for construction and woodcarving. Direct use of Namibia's biodiversity contributes to over 30 % of the GDP. Tourism in Namibia has the potential to contribute to (i) wildlife conservation and biodiversity protection, (ii) poverty alleviation in rural areas through direct and indirect employment and small business development.

Overexploitation of forests and uncontrolled cutting of trees for various purposes in the North is prevalent and woodland is cleared for shifting cultivation. State regulation of wildlife and forest products is extremely difficult to enforce due to large distances from administrative centres and lack of government resources.

On communal lands, Namibia's approach to preserve habitats and species and to provide income from tourism and other direct uses of ecosystem services is based on the conservancy network.

2.1.2.2. Land capability, rangelands and agriculture

Namibia's land degradation processes are enhanced through prevailing patterns and variations of rainfall. During the extended dry periods plant growth slows down or stops completely, leaving soils extremely vulnerable to erosion and other processes of land degradation. As degradation continues, soils pass from grassland to bush encroachment areas to deeply eroded ground. Nowadays, Namibia's arid savannah systems and dry woodland areas have reverted to savannah-type systems as a result of extensive deforestation. They are the most susceptible to land degradation manifested by bush encroachment, soil erosion and soil salination, causes of economic loss and escalating poverty through declining agricultural production and a loss of food security. This leads to human migration, rapid urbanisation and an increased need for the government to import food.

Livestock is the main agricultural activity but constraints to sustainable management of rangelands is due to a lack of secure and exclusive group land tenure, and most importantly to scarce surface water. Between 60 and 70 % of Namibia's population practice subsistence agro-pastoralism on communal land that is state owned, and constitutes approx. 42 % of the total land area. Less than 10 % of the people live in the freehold farming areas (but 44 % of total land area). 1.5 % of total land is comprised of exclusive diamond concession areas. 14 % has been proclaimed as conservation areas.
Since the 1970's many freehold livestock farmers have moved towards mixed game/livestock farming. This diversification helps to create a valuable buffer against drought. Distant markets limits the development of farming in communal areas and agricultural incomes are low and variable.

Communal land traditional mechanisms of land and resource allocations are under pressure. The gradual erosion of power and status of traditional leaders combined with slow progress in decentralization and addressing land rights issues have contributed to development of open access situations.

2.1.2.3. Water - the most scarce resource in Namibia

The only permanently flowing river lie near to, or form part of, the countries international boundaries. The lack of readily available freshwater in the interior of the country remains the most important limiting factor for development. Due to shortages in surface water, Namibia relies heavily on groundwater reserves. These reserves are subject to low recharge rates from rainfall and periodic ephemeral floods. Ground water accounts for 57 % of recorded water consumption over 80 % of which is used for agricultural purposes (but agriculture contributes only to 10% to GDP). The value added to the water used for agricultural activities in Namibia is very low when compared to that used for manufacturing or

tourism and other service sector. Freshwater depletion and degradation threatens human and livestock health, ecosystem resilience and socio-economic development. It reduces livelihood options and exacerbates rural poverty.

On communal land the widespread provision of water from boreholes for livestock and domestic use without the establishment of appropriate integrated water resource management and water demand management strategies has led to increased sedentarisation of livestock causing heavy localised overgrazing and competition with wildlife.

2.2. Improving livelihoods and empowering communities through CBNRM/conservancy movement[4]

2.2.1. Policy framework

The policy foundation for involving communities in wildlife management and the major impetus for CBNRM in Namibia began with the ***Policy on the Establishment of Conservancies***. This policy paved the way for the establishment of "conservancies" on both freehold farms and communal land. Freehold farmers had for some time taken advantage of their clearly established ownership rights over certain species of game, and as a result, wildlife populations had dramatically increased and a lucrative hunting and game-viewing industry had developed. The policy enabled conservancies to be formed by groups of farms or by communities living in communal areas for the purposes of conserving and utilizing wildlife, in association and integration with traditional farming or livestock-raising activities, on their combined properties and/or communal land area.

The ***Policy on Wildlife Management, Utilization and Tourism in Communal Areas*** was later adopted, and provided a means to implement the policy by granting rights over wildlife to communities in communal areas that were organized as Conservancies. This new policy was adopted to ensure that 1) the same principles that governed wildlife use on freehold land were extended to communal land, and 2) rural communities in communal areas were able to undertake tourism ventures and develop tourism activities on state land. Among the objectives of Namibia's Policy on Wildlife Management Utilization and Tourism in Communal Areas are: (i) the establishment of an economically viable system for the management of wildlife and other renewable living resources on communal land, (ii) the promotion of a partnership between local communities and (iii) the government in the management of natural resources.

In this process of strengthening community rights over natural resources, the Ministry of Environment and Tourism approved a ***Policy on the Promotion of Community Based Tourism***, to enable local communities to share in the benefits of tourism activities through concessionary rights to lodge development within Conservancy boundaries.

An additional step was taken by the amendment of the Nature Conservation Ordinance, to specify the conditions under which communal conservancies could be established. The ***Nature Conservation Amendment Act*** stipulated that communal area conservancies must have a[5]:

---

[4] Until recently, the term CBNRM has been utilized to describe mainly the conservancy movement. However, CBNRM is a broader concept and must include other community-based approaches (water management, forest management, rangeland management etc). A national intersectoral CBNRM framework is expected to be developed by the Ministry of Environment and Tourism (MET) in order to harmonize sectoral policies and their implementation in the most cost-effective way.

[5] Once these conditions are met, the Conservancy can be registered, the boundaries gazetted, and the local community can assume rights to huntable game and concessionary rights over commercial tourism activities and other non-consumptive or recreational uses of wildlife. Additional regulations were adopted to clarify certain terms and procedures, particularly with

1. Defined geographic area with boundaries agreed upon by the community
2. Defined membership, with registered community members
3. Representative management committee with the ability to manage funds
4. Legal Constitution, which provides for the sustainable management and utilization of game
5. Plan for the equitable distribution of benefits derived from the consumptive and non-consumptive use of game.

Importantly, the ***Ministry of Environment and Tourism*** has now developed a further set of ***sectoral policies*** that complement and reinforce the intent of using conservancies as integrated ecosystem management institutions, including:

(i) The Forestry Policy & Legislation, which allows for the creation of "Community Forest Reserves" and aims at reconciling rural development with biodiversity conservation by empowering farmers and local communities to manage forest resources on a sustainable basis, and also recognizes conservancies as an optional institution for managing such forests. The new Forest Bill (2001) enables the establishment of community forests and empowers local communities to manage and use forest produce and other forest resources in communal land in accordance with the approved management plan;

(ii) The draft Community-Based Tourism Policy, which provides for the allocation of exclusive tourism rights to all commercial tourism activities found within the boundaries of a conservancy;

(iii) The Parks & Neighbors Policy, which recognizes conservancies on the borders of protected areas as potential legal management partners for government in the operations, management and benefits derived from the protected area's natural resources;

(iv) The draft Biodiversity Strategy and Action Plan, which recognizes the role that both freehold and communal area conservancies can play in the preservation of Namibia's biodiversity heritage;

(v) The draft Environmental Management Act;

(vi) The draft Parks and Wildlife Act;

(vii) The not yet signed/gazetted Environmental Investment Fund Law provides for earmarked funds.

The conservancy policy is getting now complemented with CBNRM related legislation, including the following:

Fisheries Bill (recently drafted and currently in the process of adoption) reinforces the notion of empowerment of local communities to monitor and control the use of local fisheries resources (Ministry of Fisheries);

Water Policy white paper and draft legislation provide a framework for the transfer of management of water points to local communities, through the establishment of water user associations (Ministry of Agriculture, Water and Rural Development);

National Agricultural Policy, adopted in 1995, provides a framework for empowerment of local communities. However, the current legislative vacuum and resulting status quo with respect to the tenure and use of rangelands is seen as a primary contributing cause of desertification in Namibia.

Communal Land Reform Bill was drafted in 1999, but has yet to be finalized and adopted. In order to address the lack of secure land tenure in communal areas, the policy proposes to introduce different but secured land rights, including a certificate of land rights, which could be held by legally constituted bodies and institutions exercising joint ownership rights. This appears to provide an opening to further

---

respect to the registration of Conservancy members and the issues to be covered in a Conservancy Constitution. These regulations also enabled Conservancies to propose quotas for wildlife use, have ownership over huntable game, apply for permits to use protected game, conduct trophy hunting and to buy and sell game.

secure the land and associated natural resource rights of Conservancies and other CBOs, but the implementation of this policy is contingent upon the adoption of additional legislation.[6]

2.2.2. Institutional framework

The Conservancy Program builds on a partnership between MET, NGOs and other members of the Namibian Association of CBNRM Support Organizations (NACSO) and the private sector (see annex 6). It was initiated within the Directorate of Environmental Affairs (DEA)/MET as a subset of the broader National CBNRM Program, but administrative responsibility for its technical implementation has since been transferred to the ***Department of Natural Resource Management (DRM)*** of the MET promoting a more comprehensive, integrated approach. DRM has been changed into the Department of Resource Management including the Directorate of Parks and Wildlife Management and Forestry and Scientific Services. The sharing of tasks between these directorates of the Ministry of Environment and Tourism underlines the positive enabling environment and the encouraging absorptive capacity for the further development and growth of the Conservancy Program in Namibia. Within the Directorate of Parks and Wildlife, a new ***CBNRM-Unit*** has been created recently and is expected to spearhead the national conservancy program on the Government side, and to work under the NACSO partnership framework and the associated stakeholders.

2.2.3. CBNRM/conservancy movement supporting fight against HIV/AIDS

The vision of using CBNRM/conservancy as a vehicle to deliver multiple benefits also include the reference to HIV/Aids. A general number for Namibia to note is that an estimated 15 – 20 percent of the population is infected and will die within 5-10 years; in Caprivi the estimate is closer to 30 percent. It is proposed that the conservancy network help to address HIV/AIDS by focusing on two levels: (i) providing contact information for field-based member organizations that seek to develop partnerships with groups having an HIV/AIDS extension mandate and planning for the effects of HIV/AIDS on staff, trainees, and communities/households and (ii) working with NACSO member Legal Assistance Center (LAC) to establish a NACSO policy on HIV/AIDS and conservancies that could serve as a model for member organizations and conservancies that wish to establish their own internal policies.

2.2.4. Summary of key issues and constraints related to CBNRM/conservancy movement to date

Insuffient policy and legal framework: (i) Improved cross-sectoral coordination of policies is needed between Ministry of Agriculture, Water and Rural Development (MAWRD), Ministry of Environment and Tourism (MET), Ministry of Lands Resettlement and Rehabilitation (MLRR), Ministry of Regional Local Government and Housing (MRLGH) and National Planning Commission (NPC) to reduce and avoid policies distortions as well as develop appropriate CBNRM legal and policy framework (land tenure issue, water and livestock management); (ii) address issue of land tenure and land use planning.[7]

---

[6] The Land Policy legislation is expected to establish Land Use and Environment Boards that will be empowered to support "land use planning, natural resource management and related issues". The administration of land in communal areas would be vested in Land Boards and traditional authorities. The Land Policy states that regional Land Boards would be responsible for zoning, and the allocation of tenure rights, "including all renewable natural resources on the land, subject to the sustainable utilization and the details of sectoral policy and legislation." Accordingly, the regional Land Boards will be empowered to introduce user fees for specified natural resources (such as grazing land). Long term leases could be introduced in rural areas, for up to 99 years, including the granting of tourism concessions, "where the Land Board is satisfied that no person or group of persons has existing rights to the land".

[7] The community living within the area of a registered Conservancy still does not own the land or have clear ownership rights to the natural resources. All land in communal areas remains the property of the State, and the communities only receive conditional use rights to specified resources. Most significantly, "outsiders" who are not members of the Conservancy are still relatively free to move into the gazetted area of a Conservancy with their livestock, or to otherwise make use of the pasture and other resources in communal areas. Although the legislation provides for the recognition of the boundaries of a Conservancy, it

Long-term financing gaps: Insufficient long-term financial resources (public and private) to promote CBNRM and conservancies (resources under the Game Product Trust Fund (GPTF) and possible the new Environmental Investment Fund (EIF) will partially assist with development)

Underlying root causes for unsustainable ecosystem management: Excessive exploitation of scarce resources (water, grazing land, woodlands and forests) due to weak institutions at all levels, insufficient and pending regulatory framework, high population pressure and settlements as well as inequitable distribution of natural resources (see annex 3 on environmental threats analysis and root causes) and lastly poor access to government resources, services and infrastructures

Slow decentralization: (i) Slow progress in government decentralization and gradual erosion of traditional leadership with the risk that decentralization will effectively result in regional centralization but also opportunity to reinforce CBNRM by building on Conservancies and other community-based organizations as the foundation for bottom-up, participatory and democratic systems of regional planning (conservancies representatives to participate in the Regional Development Coordination Committees RDCC)

Insufficient knowledge management: Lack of knowledge of appropriate land management in particular for grazing and agricultural practices as well as regeneration of forests on fragile arid and semi-arid lands together with weak dissemination of good practices for replication and synergies between different programs

Lack of diversified income strategy: Focus on tourism as main revenue source for conservancies should be revisited to identify and promote more diversified livelihoods strategies for communal area residents

HIV/Aids impact: HIV/Aids impact on community development and skills transfer needs to be addressed throughout CBNRM/conservancy movement.

2.3. Achieving sustainable environmental benefits through CBNRM/conservancy movement

2.3.1. Biodiversity benefits

Namibia's Constitution reflects the issues of biodiversity in its articles 95 Article 95 (I) of the Constitution of the Republic of Namibia: "The State shall actively promote and maintain the welfare of the people by adopting, inter alia, policies aimed at maintenance of ecosystems, essential processes and biological diversity of Namibia and utilizing of living natural resources on a sustainable basis for the benefit of all Namibians, both present and future." The Ministry of Environment and Tourism (MET) has established a National Biodiversity Programme.[8] CBNRM and conservancies feature prominently in Namibia's National Biodiversity Program (NBP). It has moved through two phases: (i) program establishment and a comprehensive biodiversity status assessment and (ii) a national strategic plan, with emphasis throughout on strengthening of institutional capacity and environmental information systems to support development planning. The National Biodiversity Strategic Plan is due to be completed by first quarter 2002, and will set the financing and implementation framework for Phase III and beyond, focusing on effective implementation of the Convention on Biological Diversity through national priorities. In the meantime, however, some clear priorities for a holistic, integrated, approach are (i) development of an integrated terrestrial framework for environmental change assessment and mitigation, as part of an early warning system involving biodiversity loss, desertification and climate change; and (ii) evaluation of the biodiversity impacts of Namibian land tenure and land use systems, including different mining, agricultural, conservation and settlement land uses.

---

does not confer any special status on the land within a Conservancy as some form of protected area, or as an area with locally defined controls on land use.

[8] Process of developing Namibia's biodiversity strategic plan has been coordinated by the Ministry of Environment and Tourism on behalf of Government with the committed involvement of a wide variety of agencies and individuals. Working Groups include: Awareness and Education Group (DEA/UNAM), Finance Committee (DEA), Agricultural Biodiversity Group (MAWRD), Long Term Ecological Research Committee (DRFN), Restoration Ecology Working Group (EnviroScience), Biosystematics Working Group (National Botanical Research Institute), Traditional Knowledge Focal Group, Invasive Species (Polytechnic of Namibia), Terrestrial Biomonitoring Group (DRFN) etc.

Apart from technical training needs, these two areas are the substantial cores of the National Biodiversity Programme's Phase III. They are the ones that are considered most fundamental to the integration of biodiversity conservation with national development. The Biodiversity Strategy recognizes that the devolution of rights and responsibilities over land and natural resources to the lowest appropriate level is a fundamental component of sustainable natural resource management and biodiversity conservation. It also recognizes that incentives for wise natural resource management, together with research, information and monitoring are other vital components of the strategy. To this end, the cross-cutting component of land-use planning and natural resource management identifies the CBNRM approach and the network of freehold and communal conservancies as an important initiative to ensure biodiversity conservation and sustainable development in Namibia. Namibia's protected areas are currently not representative of the vast diversity of the country's national assets and do not include most of Namibia's biodiversity. That means that Namibia's biomes, other than the desert biomes, are seriously underrepresented. CBNRM offers the potential of extending biodiversity conservation and management beyond Namibia's protected areas network while providing at the same time for corridors through which wildlife can also safely move from one PA to another. Therefore the conservancy network is considered as a key vehicle to support Namibia's biodiversity conservation program.

The recent evolution and growth of communal area and private land conservancies provides Namibia with an excellent opportunity to further protect and preserve its biodiversity heritage. In many instances, biodiversity hotspots are being incorporated into emerging conservancies (e.g. the Tsiseb Conservancy around the Brandberg Mountains, the Grootberg Conservancy incorporating the Hobatere area, the Marienfluss Conservancy including the Otjihipa and Hartmann mountains), while conservancies established adjacent to existing parks and/or protected areas greatly expands quality habitats and seasonal movement patterns for fauna. These corridors for gene flow make provision for the maintenance of viable populations not only within Namibia, but also across international boundaries between South Africa, Angola, Botswana, Zambia and Zimbabwe. Namibia's conservancies thus play an important role in the maintenance of biodiversity within the southern African subregion.

2.3.2. Land degradation benefits

Namibia ratified the **Convention to Combat Desertification** in 1997. Namibia's status as one of the driest nation in the sub-Saharan African context, prompted to establish a National Programme to combat Desertification (NAPCOD). Namibia's National Program to Combat Desertification (NAPCOD) started in 1994 with involvement of rural communities, NGOs, government, donors. NAPCOD's wide range of activities include actions on the ground as working with resource users in pilot areas and national level planning and advocacy. A key programme element that supports the implementation of the NAPCOD strategy is the Sustainable Animal and Range Development Programme (SARDEP). This programme was launched in 1991 to develop and demonstrate range management and improved livestock production strategies in pilot communities in the communal areas of Namibia. The SARDEP programme, NAPCOD and the associated Namibian Economic Policy Research Unit (NEPRU) are very strong allies of the conservancy movement, and increased collaboration among partners is expected to generate strong, mutual benefits and synergies. NAPCOD has been involved in the highly successful "Forum for Integrated Rural Development (FIRM)" in the Grootberg pilot area (#Khoadi-//hoas C7onservancy). With increased recognition of the relevance of CBNRM activities to rangeland management, desertification control, rural development, and biodiversity conservation, collaborative efforts will be strengthened to improve the policy framework for sustainable CBNRM, participatory planning and capacity-building of community-based organizations.

The project will proactively seek to support these synergies between CBD and CCD supporting efforts and support efforts to control desertification and reduce the vulnerability of local communities to the potential disruptive effects and hardships associated with periodic droughts.

2.3.3. Other global environmental commitments

Namibia became party to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in 1991, represented through the MET and has acceded to the Ramsar Convention on Wetlands in 1995. Four Ramsar sites have been declared: Orange River Mouth, Sandwich Harbour, Walvis Bay Lagoon and Etosha Pan.

2.4. Developing sustainable community-based tourism - a promising sector for CBNRM/conservancies

Tourism in Namibia is the fastest growing economic sector, currently accounting for more than 20% of Gross National Product, a turnover of N$1.2b, a 14% growth rate per annum and contributing 12% to foreign exchange earnings. In 1998, some 350,000 tourists visited Namibia, with arrivals increasing at 7% per annum. High-end tourism grew despite the 40% overall drop in tourism in 2000 caused by civil unrest in Caprivi and the region.

However, the conservancies that have been enabled to participate and benefit from tourism based income face several challenges. At present the tourism industry that utilizes Conservancies is mostly unplanned and uncontrolled. The most visible negative influences are due to an increase in individualistic, uncontrolled and therefore unsustainable tourism (use of of 4x4 vehicles causing tracks through sensitive habitats, associated waste, illegal use of scarce firewood, etc.) The consequences of this lack of control are a high ecological impact coupled with a low economic impact, with the share earned by communities being negligible. These symptoms can be traced back to a central cause: the lack of control over access in communal areas. A second cause is the lack of oversight of the Namibian tourism industry, with little accountability for correcting these problems or grasping the huge opportunities. Economically, the fact that access to many areas is open means that this market is benefiting from the spectacular wildlife, culture and scenery without paying for it and that communities are the primary losers. Up to present, communal landholders have insufficient rights to control tourism on their land. As a result they may acquire a limited share of revenues, are unable to control irresponsible use, and are hamstrung in developing their potential. Providing Conservancies with the exclusive right to tourism (PTOs), and assisting them to negotiate joint ventures, should increase their income five-fold. Work is needed at a policy/macro level to provide incentives to attract local and international investors to the sector. The tax structure has not been revised to support new business, and the possibility of tax-breaks for investments in communal areas and Conservancies should be considered. While there is no shortage of small enterprise credit, there is insufficient technical capacity to access these sources.

FENATA (Federal Namibian Tourism Association) is positive about tourism development plans with conservancies but concerned about raising unrealistic expectations within the communities involved. Many commercial companies are prepared to be supportive of community-based products, especially when these are in the right place and are well run. Communities need to be made aware on the economics of tourism enterprises and be prepared to work in the agreed framework with their potential partners. Use of land, provision of local services and labor and local goodwill have a definable value under joint ventures. Private companies know they cannot develop tourism products in conservancy areas without help, support and agreement with communities involved. Communities need private companies to provide investment, realistic assessment of potential, marketing of their product to clients. In order to become successful, joint ventures must be equitable, requiring trust, understanding and equal commitment from both parties.

3. Sector issues to be addressed by the project and strategic choices:

The project addresses the main sector issues as described in the previous section. The strategic choices therefore focus on using the catalytic support of GEF to (i) remove/reduce the barriers (institutional and capacity; policy and legal and financial) to sustainable integrated ecosystem management in the conservancy network with a strong relevance to biodiversity and land conservation and management and to (ii) support selected conservancies likely to deliver results on the ground and important global environmental benefits as identified above, as well as to enhance knowledge management, replication and sustainability:

(i) Remove/reduce the barriers to sustainable integrated ecosystem management:

Barrier 1. Insufficient policy and legal framework for integrated ecosystem management in conservancies

Overall, the national conservancy program needs strong and adequate political support and a policy and legal framework to deepen commitment for a long-term strategy for integrated ecosystem management at the national, regional and local levels. *The project supports the MET and other line ministries (i) to streamline and decentralize regulatory procedures; (ii) to operationalize and support inter-ministerial forum on CBNRM; (iii) to recognize role of conservancies in the implementation of decentralization policies (see para. below); (iv) to harmonize sectoral policies of importance to conservancies (land tenure, tourism); (v) to capitalize on opportunities to reinforce CBNRM through fiscal policy reforms and (vi) to provide proactive role for NPC in donor coordination related to CBNRM. The project will provide for catalytic action, replication and innovative approaches inviting other donors for joint actions in the country and sub-region.*

Decentralization is usually perceived as a process by which central government transfer mandates, rights and responsibilities to regional and local governments. Decentralization can, however, also be seen as emerging from the regions and communities, and not necessarily top-down in approach. It is therefore often a corollary, while not being a pre-requisite, of CBNRM. It provides the broader political and administrative framework by which local communities, stakeholder associations, NGOs and local governments can work together for a more effective management of their resource base. However, the current policy and legislative framework does not yet fully support and legitimise decentralized community based integrated development planning, and the legislation doesn't empower conservancies to control access to all natural resources (e.g. the issue of overall land tenure is still pending). And it does not include provisions related to the integration of conservancy level development plans into regional development priorities. *The project will support the valuable opportunity for decentralization to reinforce CBNRM, by building on conservancies and other community-based organizations as the foundation for bottom-up, participatory and democratic systems of regional planning. It will support and contribute to the decentralization of services and natural resource management, which is in conformity with governmental policies. The promotion of local level decision-making is addressed through encouraging and empowering of the rural population in the management of natural resources, and by promoting the decentralisation of management responsibilities. This also enables the conservation and increased utilisation of traditional indigenous knowledge and local institutional capacity in the decision-making.*

Barrier 2: Insufficient capacity and institutional support for CBNRM/conservancy movement

The integrated ecosystem management approach requires appropriate cross-sectoral cooperation and coordination between all stakeholders involved (NACSO partnership framework including relevant ministries, NGOs, private sector) to enable effective planning, implementation and monitoring at the conservancy level and national level. *The project builds and strengthen an institutional partnership between MET, NGOs and other members under NACSO to increase the quality, transparency and the effectiveness of delivery services to conservancies/CBOs and to strengthen their capacity.*

The project intends to facilitate the emergence of conservancy associations and supports partnerships between private sector and communal conservancies for joint integrated ecosystem management and promotes equitable sharing of costs and benefits. Moreover, the formal and informal cooperation between communal and freehold conservancies, traditional authorities, regional governments, and the private sector will also be strengthened, respective roles clarified and appropriate relationships developed.

The development and management of ecosystems in conservancies has been mainly focused on wildlife to date and it is only recently that conceptualization of a methodology for integrated ecosytem management development has been addressed. *The focus of the GEF support will be on development of integrated ecosystem planning, management and M&E including all natural resources and related policy development and capacity building. The monitoring and evaluation (M&E) system to be developed will increase local-national coordination and enhance use of harmonized data on CBNRM/conservancy implementation and monitoring of biodiversity.*

The role of the Ministry of Regional and Local Government and Housing is imperative to enable the implementation of all planned interventions at the local level. *Accordingly, the project will facilitate the involvement of conservancies in Regional Development Coordinating Committees, and take advantage of opportunities presented through the elaboration of specific legislation related to decentralization which affirms the role of conservancies and CBOs engaged in CBNRM activities in regional land use planning, sector planning and decentralized management of natural resources.*

Barrier 3. Insufficient financial resources

The current weaknesses in systematically addressing cost/benefit issues and analysis of trade-offs in integrated ecosystem management planning and implementation will be incorporated in the planning processes. As discussed above some conservancies with high biodiversity value but low financial viability may necessitate the design and implementation of long-term funding mechanisms to enable their continued support. *The project will support conservancies in targeted areas with necessary financial resources for integrated ecosystem management related interventions. The project provides the needed resources to meet key investment needs and to create an environment which is further conducive to investment and actions at the local level. It also supports the development and use of sustainable long-term funding mechanism and market based incentives to pay for long-term local and global benefits. The project is expected to follow a phased approach over a 10 year period.*

(ii) Support selected conservancies to deliver results on the ground and global environmental benefits:
GEF resources will be used to support conservancies (i) with global environmentally important assets; (ii) strong community-driven demand and ownership; (iii) with strong perspective for sustainability (socio-economic, financial and institutional); (iv) where GEF catalytic role leads to additional leverage resources addressing root causes and other local development needs; (v) contributing to the development of best practices; and (vi) where replication is facilitated within conservancy program; and (vi) favours a landscape approach.

A **conservancy planning/screening tool,** further operationalizing the guiding principles will be developed by appraisal. The purpose of the tool and the strategic assessment of conservancy needs and viability perspectives is to enable the guidance and allocation of the GEF and other funding and technical support in an effective, output-oriented and cost–efficient manner. It will especially guide the project implementation through directing development approaches, capacity building and appropriate investments. Some initial categorization of conservancies has already been carried out and aims at identifying special characteristics of conservancies (based on a systematic assessment of economic, institutional and environmental strengths, weaknesses, threats and opportunities (SWOT)) in order to enable effective and cost-efficient support interventions to each type of conservancy. (see Annex 5)

C. Project Description Summary:

1. Project components: (see Annex 1)

The project has 6 inter-related components that together serve *to assist stakeholders to establish, operationalize and strengthen conservancies and related community-driven sustainable integrated ecosystem management activities that improve livelihoods and empower communities in rural Namibia while enhancing biodiversity conservation and alleviating land degradation.*

The **first component** on *Coherent framework for CBNRM* aims at developing a national coherent financial, legal and policy framework for sustainable development through integrated ecosystem management with subcomponents on (i) co-ordination and harmonization of policies, legislation and strategy; (ii) advocacy and communication; (iii) incentives and financing mechanism.
The **second component** on *Capacity Building of CBNRM Support Organizations* aims at improving capacity of support organization network to deliver cost-effective and demand-driven services to conservancies and includes sub-components on (i) training and research; (ii) stakeholder collaboration; (iii) investment planning.
The **third component** on *Capacity building of Conservancy Institutions* aims at creating representative, accountable, participatory and financially viable decision-making and management institutions in conservancies and involves sub-components on (i) governance and administration; (ii) planning, management.
The **fourth component** on *Integrated Ecosystem Management* aims at creating an improved resource base through ecologically sound integrated planning, investments, management and implementation of M&E mechanisms at national and conservancy levels and includes sub-component on (i) planning and implementation; (ii) M&E.
The **fifth component** on *Increased Socio-Economic Benefits* aims at generating increased, tangible socio-economic benefits to conservancy members and other stakeholders through sustainable utilization of natural resources, and involves sub-components on (i) planning and feasibility studies; (ii) remove barriers to benefit generation.
The **sixth component** aims at supporting a *Project Coordination Unit* within NACSO Secretariat to effectively manage project activities.

Component	Sector	Indicative costs (US$M)	% of Total	Other Financing (US$M)	% of Other Financing	GEF Financing (US$M)	% of GEF Financing
1. Develop a coherent national regulatory framework for CBNRM in conservancies including (i) design, co-ordination and harmonization of legislation and policies; (ii) advocacy and communication; (iii) incentives and financing framework.	Environment Rural Development	3.80	12.6	3.10	13.5	0.70	9.9
2. Improve capacity of CBNRM support organizations to deliver services to conservancies including (i) training and research; (ii) stakeholder	Human Development	3.45	11.5	2.70	11.7	0.75	10.6

collaboration; (iii) investment planning.							
3. Build capacity of conservancy institutions including (i) governance; (ii) business planning and management; (iii) ecological planning, management.	Human Development	4.80	15.9	3.90	17.0	0.90	12.7
4. Support integrated ecosystem management in conservancies including (i) planning and implementation; (ii) m&e.	Environmental Institutions	10.90	36.2	8.00	34.8	2.90	40.8
5. Increase socio-economic benefits and benefits sharing to achieve sustainablity including (i) planning and feasibility studies; (ii) remove barriers to benefit generation.	Other Environment	5.05	16.8	4.1	17.8	0.95	13.4
6. Project Coordination Unit.	Institutional Development	2.10	7.0	1.20	5.2	0.90	12.7
Total Project Costs		30.1	100	23.0	100	7.1	100.0
Total Financing Required							

2. Key Policy and institutional reforms to be sought:

The project supports the following legislation and policy decisions:

(i) To harmonize the intersectoral policy, legal and instutional framework for CBNRM - MET: Cabinet CBNRM policy note approved.

(ii) To provide for appropriate land rights in conservancies - MLRR: Review and approval of communal land bill

(iii) To provide for enlarged scale of conservancy network - MET: Approval of parks and wildlife management bill

(iv) To provide for guidelines on national and local environmental assessment - MET: Finalization of environmental management bill

(v) To provide for participation of future conservancy associations in local planning efforts - MLRGH: Structure of Regional Development Coordination Committees.

(vi) To support and coordinate local and national level planning, implementation and monitoring for biodiversity conservation - MET: Implementation support of National Biodiversity Strategy and Action Plan through strengthening the conservancy program

3. Benefits and target population:

Benefits

This project will assist Namibia to conserve its rich biodiversity heritage, while at the same time promoting improved land management and poverty alleviation for marginalized people who reside on arid to semi-arid lands that have limited potential for subsistence or commercial agricultural development

activities. At present, employment and development opportunities in these areas are almost non-existent. However, the formation of conservancies and their concomitant introduction of tourism related enterprises (i.e., lodge developments, trophy hunting, crafts production and sales, etc.) will significantly enhance local economies through the provision of employment and local income. The project support through capacity building and the increase in local revenues will empower local populations, influence and direct their own development mandates and contribute to socio-economic sustainability.[9] The geographic target areas are largely communal lands that contain biologically rich or unique abundances of species or ecosystems with high levels of endemism. In many cases, such target areas are immediately adjacent to national park systems of international significance, and when developed as conservancies, will produce a synergetic benefit to the broader surrounding ecosystem that enhances the viability of the park and resident resources. The project will also promote linkages and development between communal and freehold conservancies that will lead to a national conservation movement which could ultimately lead to a doubling of the 14% of land (approximately 115,000 sq kms) in Namibia that is currently under conservation management through the Namibia protected area system. Today, a total of 15 communal area conservancies have been registered. These fifteen conservancies incorporate more than four million hectares of prime wildlife habitat and involve more than 30,000 communal area residents in conservation efforts. A further 32 emerging communal conservancies, are also under development. The total income and benefits for 2001 amounted to US$ 785 153 (between October 2000 - September 2001).

This project seeks to promote the formation of conservancies on large tracts of remote wildlands that will ultimately benefit more than 100,000 (approximately 6% of the total population) of Namibia's poorest citizens.

The expected project benefits have been summarized in the following table:

Benefits	**Local**	**National/Global**
Social and institutional	· Improved cross-sectoral cooperation on CBNRM · Necessary policy framework and incentives for conservancies to sustainably manage all natural resources in an integrated manner · Enhanced capacity of CBNRM support organisations to provide demand-driven services contributing biodiversity conservation and integrated ecosystem management · Enhanced participation, representativeness, accountability, and financial sustainability of conservancy decision-making institutions to manage and utilize natural resources sustainably Empowerment of community members · Equitable benefit sharing mechanisms established in conservancies · Increased conservation and utilization of traditional indigenous knowledge in decision making	· National policy and legislation in conformity with international conventions promoting biodiversity conservation and alleviation of land degradation · Enhanced local and national capacity of government institutions and NGOs to provide capacity-building services to protect globally important biodiversity and ecosystems and to alleviate land degradation · Dissemination of best practices on integrated ecosystem management for replication and policy recommendations at national, regional and global levels.

[9] In 1993, only two community-based tourism enterprises were known to exist in Namibia. By 2000, this number had increased to 45 enterprises. Further, total financial benefits accruing through the conservancy program and affiliated community-based tourism enterprises in 2000 exceeded N$3,410,000 (approximately US$455,000).

Financial	· Increased financial benefits for conservancies and members through enterprise development and joint ventures · Diversified livelihood strategies developed in conservancies based on variety of rural enterprises based on sustainable management and development of natural resources and eco-tourism · Selected community development projects implemented through accrued revenue	· Long term funding mechanism(s) developed for the conservation of globally important biodiversity · Improved coordination of donor assistance to biodiversity conservation and ecosystem management efforts in Namibia in the context of CBNRM.
Environmental	· Reduced land degradation caused by soil erosion and desertification · Reduced illicit and unsustainable use of natural resources · Improved protection of endangered and endemic species · Protection of habitat for endemic and endangered species · Improvement of water quality and watershed management	· Increased carbon sequestration through improved ecosystem management and enhanced biomass · Reduced land degradation caused by soil erosion and desertification · Improved planning and management mechanisms for globally important ecosystems · Reduced illicit and unsustainable harvesting of globally valuable tree species, wild plants, wildlife and other animals · Improved protection of endangered and endemic species · Protection of habitat for endemic and endangered species · Comprehensive M&E system for impact and performance monitoring on social, institutional aspects and globally important biodiversity

Target groups:

The project's diversified target groups include the following categories:

(i) **Government Ministries responsible for CBNRM:**
Ministry of Environment and Tourism (MET), Ministry of Agriculture, Water and Rural Development (MAWRD), Ministry of Lands, Resettlement and Rehabilitation (MLRR), and Ministry of Local Government and Housing (MLRGH).

(ii) **Non-Governmental Organisations implementing CBNRM**
There are a variety of NGOs supporting and facilitating CBNRM (see NACSO members in annex 6) and local development activities throughout Namibia.

(iii) **Conservancies, CBOs, local communities, rural households, conservancy members**
There are about 70 conservancies (15 registered and 32 emerging communal and 23 freehold) recognized and about 8,000,000 hectares (4,080,000 hectares in registered communal and 3,850,000 in freehold) under conservancy management. In addition, enabled by the new Forest Development Policy and Forest Act, the communities and CBOs living adjacent to forests and woodlands are establishing community forest reserves.

(iv) **Private sector**
Private enterprises engaged in joint ventures with conservancies.

4. Institutional and Implementation arrangements:

Namibia's National Conservancy Program as a subset of the up-coming National CBNRM Program has been developed and is to be implemented under a partnership between a number of local NGOs, the Ministry of Environment and Tourism (MET) and the private sector (see annex 6).

The inter-institutional co-operation and organisation for the project may be arranged on the following basis (***will be confirmed at appraisal***):

(I) A **Project steering Committee** to assure broad based policy dialogue and to enable holistic integrated approach to ecosystem management of the conservancy network: *(i) Composition:* The Steering committee should include NACSO Management Committee (including MET and National Planning Commission (NPC)), Ministry of Lands Resettlement and Rehabilitation (MLRR), Ministry of Agriculture Water and Rural Development (MAWRD), Ministry of Local Regional Governments and Housing (MLRGH), *(ii) Role:* Would meet once or twice a year to review and approve the Annual Work Programs including budget and the project progress reports from the NACSO Secretariat/PCU and to discuss relevant policy and coordination issues;

(II) Executing Agencies are members of the NACSO Partnership (see annex 6). Their specific operational role will be fully identified at time of appraisal.

(III) A **PCU** to strengthen NACSO Secretariat will be created and located within NACSO Secretariat. It tasks will be: (i) Day to day operational project coordination, (ii) Annual Work Program and budget preparation based on respective inputs from the Executing Agencies, (iii) M&E of project implementation performance, (iv) Facilitation of donor coordination, (v) Secretariat of the project Steering Committee, (vi) Overall financial reporting, (vii) Preparation of annual/semi annual progress reports based on Executing Agencies reporting.

Financial Management:

Special Account
The Global Environment Facility grant funds would be disbursed into separate Special Account, in US Dollars, at a commercial bank.

Disbursements
The PCU will be responsible for preparing withdrawal applications and the related SOEs.

Prior to appraisal, three manuals will be prepared to facilitate and guide implementation:
(i) implementation plan and manual;
(ii) administrative and financial procedure manual; and
(iii) monitoring and evaluation manual.

Project Monitoring and Evaluation:

Objectives: This project will put a strong emphasis on a detailed impact and performance M&E system at national and local level with integrated information flow and feed-back loops between both levels. The M&E system will provide the stakeholders, the Bank, the GEF through inputs in the PIRs, and external partners with data and information to measure progress, performance, and to determine whether expected impacts have been achieved, and to provide timely feedback to ensure that critical issues are identified in the earliest stage and that appropriate actions are taken.

The M&E system will include monitoring of root causes patterns at conservancy level (see annex 3) and enabling communities and executing agencies to provide locally gathered data and information to input into sustainable local, regional and national planning and decision-making processes.

Design: Resources to support implementation of the M&E system have been earmarked under the project **component IV** on **Integrated Ecosystem Management**. Development of the M&E is being done with support from PDF B resources including (i) a pilot study to collect data for the development of biodiversity and other key ecological indices in conservancies and (ii) a study on national assessment of land use management and tenure impacts on biodiversity and environmental sustainability. The indicators and findings will match the recommendations from the National Biodiversity Strategy and Action Plan and GEF's parameters for integrated ecosystem management, biodiversity and land degradation projects. They will include ecological indicators (resource status, changes in resource use trends), indicators to assess institutional effectiveness and the extent of participatory integrated ecosystem planning and implementation. In addition, socio-economic impact indicators will focus on measuring improved livelihood and development strategies as well as effective participation of conservancy members in conservancy governance.
Local level M&E plan: The project will support targeted conservancies within the expanding national conservancy program (see B3.2). It is expected that every targeted conservancy will develop and implement a specific, tailor-made M&E plan based on a detailed baseline assessment of the current ecosystem status and impact (see annex 5 for preliminary description conservancy status).

Linkages to strategic instruments supported by the project: The **conservancy planning tool** (see B 3.2. and Annex 5) which will be fully developed at time of appraisal, is expected to use the M&E system for prioritization of targeted interventions, selection of specific support and to provide for scaling-up of lessons learned (replicability) over the proposed two phases of the project. Furthermore, the M&E system will be linked to the future CBNRM/conservancy **communication strategy** and the content of its dissemination tools (e.g. **annual state of conservancy report)** thereby providing the framework for knowledge management and learning processes.

Readiness: A specific M&E manual will be approved at time of project appraisal describing M&E procedures for implementation of the conservancy roll out plan as well as plans for targeted conservancies.

Specific project performance monitoring:
The PCU will monitor progress towards achievement of the development and global project objectives, project outcomes, and activities using the progress reports, approved work programmes and the overall logframe indicators presented in Annex 1 and Annex 1b. The Project performance monitoring will be carried out using procedures established between the PCU and executing agencies as periodic progress reports. A Mid-Term review will be undertaken half way of the project implementation. The recommendations of the Mid-Term review will be incorporated in the work programmes for the remaining years of the Phase I, and final evaluation completed at the end of the Phase. The progress reports will address the following operational items regarding the success of the project implementation (i) extent of achievement of outputs, (ii) carrying out of activities, (iii) delivery of inputs (staff time inputs, training events, investments), (iv) possible changes in the programme environment and their effects, and (v) expenditures vs. budgets based on the agreed breakdown structure (e.g. recurrent, investments, training, consultancies). The annual work programmes and progress reports will be prepared by the leading executing agencies and approved by the Steering Committee.

D. Project Rationale

1. Project alternatives considered and reasons for rejection:

Based on the analysis of sector issues and identification of strategic choices (see C3) and lessons learned so far (see D3), only two options have been considered and discussed as a project alternative but have been rejected:

1) "Continue to support first generation conservancy approach", thereby providing for limited geographic expansion but without an integrated ecosystem management approach it would not provide a mechanism for balanced sustainable ecosystem management nor foster multiple global benefits or use conservancies as a catalyst for local development and empowerment. Limited progress on cost-effective and output oriented delivery of sources to communities would be assured.

2) "Support the national park network", despite the fact that most of Namibia's biodiversity is found outside protected areas and on communal lands. Population pressures and other root causes for biodiversity loss and land degradation would not be addressed appropriately (see annex 3 environmental threats and root causes). Limited multiple global benefits would be achieved.

2. Major related projects financed by the Bank and/or other development agencies (completed, ongoing and planned).

Sector Issue	Project	Latest Supervision (PSR) Ratings Bank Financed Projects only	
Bank Financed		**Implementation Progress (IP)**	**Development Objective (DO)**
Human Resource Development	AAA on Human Resources Development Strategy		
	Study for education and new sources of Growth		
Natural Resource Management	Water Resources Management Project	**S**	**S**
Information Technology	Country Development Gateway		
Decentralization	Sub-national government development project		
HIV/Aids	Development Impact of Aids		
Other development agencies			
GEF/UNEP	Desert Margin Program		
GEF/WB/IFC	Kijani Initiative		
GEF/UNEP	Enabling Activity Biodiversity		
EU	Rural Development Framework		
EU	Tourism Development Program		
Government of Finland	Namibia-Finland Forestry Programme II		
GTZ	Namibia Programme to Combat Desertification (NAPCOD)		
GTZ	Sustainable Animal and Range Development Programme (SARDEP)		

IP/DO Ratings: HS (Highly Satisfactory), S (Satisfactory), U (Unsatisfactory), HU (Highly Unsatisfactory)

3. Lessons learned and reflected in project design:

The project builds on Namibia's experiences related to support for CBNRM and conservancy movements and has been discussed through a broad-based National Vision Progress during project prepartion. The project design integrates and addresses clearly the following lessons learned and occurring gaps:

a. Support conservancy governance

Conservancy organizations provide a basis for natural resource management, and are partially democratic in nature. It is therefore recommended that bottom-up accountability and participatory democracy principles be developed and introduced as quickly as possible, using carefully constituted Village-level organizations as the basic building-block of Conservancies. This principle should be reinforced by all partners, and through all interventions, including Conservancy formation, constitution development, grants, education of individuals about democratic rights, and the development of transparent and equitable benefit sharing systems, with the latter being a powerful tool to drive bottom-up accountability.

The project component Capacity Building of Conservancy Institutions (III) will directly address the need of strengthening conservancies as participatory democracies. The objective is to create representative, accountable, participatory and financially viable decision-making and management institutions in conservancies.

b. Achieve financial, social/institutional and environmental sustainability in Conservancies

Financial sustainability is defined as the ability of a conservancy to cover its operating costs (i.e. for environmental shepherds, game guards etc.) Every Conservancy should be enabled to develop and implement realistic management plans that assure financial sustainability within five years. The analysis of tourism, hunting and other commercial opportunities suggests that this is entirely possible in many conservancies. Moreover, in cases where the Conservancy cannot become financially sustainable, but support is justified on the basis of other reasons, such as biodiversity conservation, alternative sources of funding should be sought and/or trust funds established to ensure long term funding.

Naturally, developing strong financial flows without first ensuring **institutional accountability** is a two-edged sword, so this step should follow the recommendation on democratic conservancy institutions. This will bring organizational development and financial planning center stage, organized around community livelihood and development priorities. In many cases, this will lead to tourism planning and the strategic development of enterprises, with high-value tourism and hunting partnerships with the private sector likely to be where the most value can be added fastest. Community enterprises can then be developed around these commercial nodes. The transition to viability will require an investment in planning tourism and in negotiating Conservancy-private sector partnerships. As communities are already aware, sustaining production and conserving the natural resource base requires an investment in monitoring ecosystem planning and management.

The project components on Capacity Building (III) and Integrated Ecosystem Management (IV) are addressing the re-prioritizing of the planning process. The capacity of service organizations and conservancy institutions on planning, management and monitoring of their ecosystem will be enhanced. Integrated management plans covering all natural resources, resource uses and resource users will be prepared in conservancies thus enabling ecologically, institutionally and economically sustainable conservation and management of natural resources and biodiversity.

c. Establish Comprehensive but Simple Performance and Impact Monitoring at Local and National level

The devolution of responsibilities and rights to use and sustain wildlife, and the flow of the revenues that are starting to flow from them, will only be sustainable if sound social, institutional, financial and environmental planning and management processes are in place. This requirement for accountability requires much improved performance-conformance monitoring systems, the power of which is enhanced considerably when they use both visualization and peer pressure. However, monitoring goes beyond this and should not simply become a regulatory instrument but an instrument to identify management actions to enhance performance.

The project component on Integrated Ecosystem Management (IV) involves development of a comprehensive performance and impact monitoring and evaluation (M&E) system on ecological, socio-economic, and institutional aspects at local and national levels. The system will also include specific biodiversity monitoring at conservancy level. The m&e system will provide necessary information for the project rollout and management actions to be taken.

d. Revise Delivery Systems to lower costs, increase impacts and ensuring realistic phasing-out

There are three types of delivery systems to conservancies, (i) traditional conservancy support, (ii) regulation of conservancies, (iii) rural development. Consideration needs to be given to reviewing and revising delivery support systems to lower costs and increase impact. Whenever possible, communities should be enabled to demand-drive this support based on priorities.

The objective of the project component on Support to Service Organizations (NGOs and governmental extension services) (II) is to improve capacity of support organization network to deliver efficient, cost-effective and demand-driven services to conservancies with a phasing out strategy. This will involve development and promotion of training of trainers (TOT) approach for capacity building.

e. Support emergence of Regional Conservancy Associations

The emergence of Regional level Conservancy Associations should be supported, with the intention of creating strong, inputting development of national policy and strategy, legitimate advocacy related to extension and regulatory services, sharing knowledge, resources and skills and sourcing service, finance and private sector partnership through interaction at both the Regional and National levels as well as becoming cooperatives buying services and marketing products. The NACSO partnership should assist the Conservancy Associations to take the lead role in the project, empowering communities to advocate for stronger rights over the management of natural resources.

The project component on coherent framework for CBNRM (I) will facilitate the formation of conservancy association(s) for increased advocacy and direction for conservancy development. The capacity building component (II and III) will include support to conservancy associations (communal and freehold) to enable increased collaboration and exchange of information. This will help the emerging conservancies in developing their management and objectives using the experience gained by established conservancies. The collaboration with the private sector is also addressed through the component on increased socio-economic benefits and equitably benefit-sharing (V). The activities include assisting conservancies in tendering, negotiating, and managing joint ventures and providing training on business management to CBNRM enterprises.

f. Private sector Partnerships and between communal and freehold conservancies

The long-term CBNRM/conservancy program vision developed in 2001 includes the establishment of strong and smart partnerships between communal conservancies and the private sector. Such partnerships are expected to be productive at a number of levels. Especially important is the enabling environment for the establishment of joint ventures to generate conservancy income to cover its operational expenses and to return benefits to its broader membership.

At another level, there is longer-term merit in pooling the complementary resources, knowledge and skills that can be united between the communal area and freehold conservancies. This may best be accomplished through communal-freehold direct partnership arrangements between individual conservancies; but, much can be gained by linking the current freehold conservancy association (CANAM) with a similar association for the communal area conservancies.

The project component on creation of Coherent Framework For CBNRM (I) aims at strengthening CBNRM coordination between MET and other Ministries and harmonizing inter-ministerial support policies and legislations for CBNRM activities. As discussed above, capacity building of all support organizations as well as the CBNRM unit at MET is an integral part of project activities.

g. Subregional CBNRM experiences to date:

For example, USAID's Regional Center for Southern Africa (RCSA) based in Botswana, has provided support for the implementation of CNBRM programs in four southern African countries since 1989 under the "Regional Natural Resource Management Project (RNRMP). The general lessons learned out and project responses are as follow:

Project execution should be entrusted to agile and efficient institutions. *The project uses well recognized and highly reputable NGOs in partnership with the government in implementing this project.*

Effective natural resources management on communal land requires an ecosystem approach. *The project promotes integrated ecosystem management.*

Effective integrated ecosystem management requires strong stakeholders participation. The establishment of integrated ecosystem management plans will only work if there is social consensus, involvement and participation since the early stage of local stakeholders. *Therefore the project seeks to work in a participatory fashion, with exchange programs between conservancies. As such, the project includes technical assistance for local NGOs and associations to support ecosystems conservation activities carried out by communities and in particular women and young people.*

Eco-services concerns need to be incorporated to broader political and socio-economic frameworks. *The project will assist in a major effort to incorporate ecosystem services considerations into sectoral and integrated development planning. The project will support the establishment of a cross-sectoral CBNRM framework and enhance donor coordination through the National Planning Commission. Synergies between CBD, CCD and CCC policies and action plans will be enhanced in particular at local level (i.e. replication of FIRM approach in Grootberg #Khoadi-//hoas Conservancy).*

Better efficiency and effectiveness during execution require an adequate monitoring and evaluation system. *The project will make efforts in the acquisition and expansion of the knowledge base and development of methodologies for monitoring and to construct appropriate indicators.*

Financial viability of conservancies. *The project will focus on conservancies that are financially viable (meaning capable to cover their recurrent costs). Targeted conservancies of high biodiversity value and*

with very limited perspectives of financial viability could eventually be supported through a long-term funding mechanism to be established in the second phase of the project.

Need for targeted strategy. *The project will support the development of a conservancy planning tool which will assess conservancies and their individual assets, potential for development and need for assistance in order to use most cost-efficiently limited resources in a limited number of conservancies.*

h. ENV & QAG Review of GEF biodiversity projects in Africa:

The Bank's internal reviews of GEF supported biodiversity related projects in Africa (1998 QAG review of the Natural Resources Management Portfolio; 1998 ENV Bank-wide Review of Biodiversity Projects and 1997 QAG Review of Biodiversity Projects in Africa) call for better up-stream design, strong commitment and capacity by Government and other stakeholders, mainstreaming in the country portfolio, setting up realistic and consensual development objectives, coordination with NGOs as well as intensive Bank supervision. These recommendations have been incorporated in the project design.

4. Indications of borrower and recipient commitment and ownership:

When the Conservancy program was launched, the MET Directorate of Environmental Affairs (DEA) provided the intellectual leadership and strategic guidance for the program. The MET approach is now to look beyond the MET to consider the linkages between the Conservancy program and other sectoral programs related to biodiversity conservation, NRM and rural development, and promoted the harmonization of policies and legislation in support of CBNRM. The Parks and Wildlife Management Directorate (formerly the Directorate of Resource Management, DRM), has gradually stepped in to provide oversight in the implementation of the legislation and to fulfill its functions prescribed in the regulations, thus shifting from an emphasis on program leadership and coordination, to regulation and oversight. As part of the restructuring process within MET, a Technical Committee on Natural Resources was instituted This Committee is chaired on a rotating basis by one of the Directors in the MET, including DRM/DPWM, Directorate of Forestry, Directorate of Scientific Services, and Directorate of Tourism. The committee routinely takes up matters related to CBNRM and the Conservancy program. With the restructuring of the MET, it is anticipated that the former Directorate of Resource Management (DRM), which has been recently re-organized as the Directorate of Parks and Wildlife Management (DPWM) will assume a greater role in supporting the implementation of the program. In anticipation of a broadening of the program scope, to encompass forestry, tourism and related CBNRM activities as well as wildlife management, plans were made to designate a small group of core staff to coordinate and facilitate the provision of CBNRM services at the field level. This CBNRM Unit will provide a point of contact for the MET staff working in the regions, and technical support for NRM and extension activities. Additional field level support for CBNRM is to be provided by 29 wardens, formerly working as Information Officers in MET in the various regions, and soon to be reassigned to the CBNRM Unit. The field level wardens will be accountable to both the CBNRM Unit leader and to the Governors of their respective region, in keeping with the decentralization of selected government staff and functions. The CBNRM Unit is clearly reaffirming the government's commitment to the objectives of the program. that will strengthen a sense of government ownership in the program and make a strong contribution to the further development of the national CBNRM program. This will help to address a number of priorities related to the implementation of the policy.

Importantly also, a PDF-B proposal has been developed under the NACSO partnership and endorsed by the Ministry of Environment and Tourism (MET) including the Directorate of Environmental Affairs (DEA) being the GEF Focal Point. The GEF Secretariat has endorsed the PDF-B proposal in early 2001. The Grant agreement has been signed by the National Pla nning Commission.

5. Value added of Bank and Global support in this project:

The World Bank's/GEF's assistance will be used to design the overall project, individual components, and integrate it into national strategy and leverage financial support. It catalyses the innovative coverage of a wide range of issues relating to biological diversity and integrated ecosystem management at the communities level. It will involve a number of institutions subscribing to the common objective of supporting the GRN poverty alleviation strategy through economic and social development. It will stress a barrier removal approach, focus on ownership by the partners, cooperative partnerships between varying stakeholders and take a long-term holistic approach based on the building of national consensus. The project will also give enhanced weighting to social and structural issues as it does to conservation and financial ones

The Bank has been engaged in continuous dialogue with Namibia on macro-economic policies, capacity building, natural resource management, HIV/Aids and on donor coordination. A proposed Comprehensive Development Framework for Namibia has been discussed in 2000. Efforts since then have built on this dialogue and provide the Bank with a sound knowledge of Namibian institutions, donor approaches and policy and regulatory framework. Moreover, the Bank/GEF's catalytic role to leverage additional resources throughout the planned two phases of the project will be of great importance to support the larger CBNRM framework and its implementation. Supporting technical assistance currently provided by the Bank on water sector reform, capacity building and new sources of growth will complement the project efforts and ensure consistency at macro-level.

The Bank can build on its experience of programmatic community-driven development (CDD) projects in Africa which provides insight into adequate design and implementation of conservation and ecosystem management objectives, jointly with development efforts based on a participatory community-based approach. Several CDD projects, some of them with a GEF OP 12 support, are being developed in Burkina Faso, Niger, Rwanda, Benin, Kenya. In addition, the Bank as GEF Implementing Agency has been at the forefront to assist countries with long-term funding mechanism such as conservation trust funds, revolving funds and other sources of innovative long-term financing for global ecosystem services.

E. Social Issues

1. Summarize key social issues arising out of project objectives, and the project's planned social development outcomes. If the issues are still to be determined, describe current or planned efforts to do so.

The objective is that conservancies become financially self reliant institutions and that conservancy contribute to improved livelihoods in rural areas through equitable socio-economic benefit sharing. Marginalized groups (especially women, young people) will be empowered to participate in local development planning. During project preparation, socio-economic surveys in selected conservancies including risk assessment, beneficiary and needs assessments will be undertaken. The identified socio-economic key issues will be linked to the identified root causes to unsustainable ecosystem management in Namibia (see annex 3) and suggestions on how to incorporate the results into the project design will be reflected in the conservancy planning tool.

2. Participatory Approach: How will key stakeholders participate in the project?
The project represents a partnership between local communities, decentralized and central governmental services, private sector, freehold conservancies and NACSO NGO members. The conservancy support organizations (including government) acting as executing agencies will not

be in the position to service all current and proposed conservancies. Therefore, information sharing, consultation and collaboration among these key stakeholders are essential and assured through NACSO's partnership structure (constitution), the predefined participatory vision plan (several workshops with multi-stakeholder group) and the proposed project implementation set-up. All key stakeholders have been consulted throughout the preparation process and own the project. The proposed State of Conservancy Report and a new communication strategy will ensure that results, lessons learned and up-dates on CBNRM and conservancy network are disseminated. In addition, NACSO members participate on a continuous basis to meet in five thematic working groups for review of the design and implementation of project related activities.

3. How does the project involve consultations or collaboration with NGOs or other civil society organizations?

The memberships of the Namibia Community Based Natural Resource Management Support Organisations (NACSO) are predominantly NGOs. These are also the executing agencies for the project. In order to facilitate consultation the members are organised in thematic working Groups (Strategic & Visioning, Training, Institutions, Natural Resource Management, Business & Enterprises). Conservancies will be assisted to form conservancy associations which are expected to become members to NACSO. They will play an important role in developing a responsive program of support to conservancies.

4. What institutional arrangements are planned to ensure the project achieves its social development outcomes?

The project supports the paradigm shift in the conservancy program to increase governance, transparency, fair benefit sharing at local level. Conservancy committees will include representatives from villages. These will form conservancy associations. These associations will enhance the legitimacy and bargaining power of conservancies. Rural communities will gain enhanced exposure to democracy and governance. Community making processes will be strengthened, community leaders will be held accountable for their actions, and transparent leadership will be encouraged. An added advantage of the associations will be the conservancy-to-conservancy exchange and sharing. Further, as the project represents a partnership with government, key ministries will be in a position to directly deliver services to the conservancies.

5. What mechanisms are proposed to monitor and measure project performance in terms of social development outcomes? If unknown at this stage, please indicate TBD.

Within the NACSO fraternity a Working Group on Monitoring and Evaluation has been established. This group is in the process of defining key social and economic indicators that will be used to measure project impact.

F. Sustainability and Risks:

1. Sustainability

The project supports a holistic approach to community-driven integrated ecosystem management in the conservancy network of Namibia. Sustainability will be achieved through multiple efforts that cannot be delinked from each other. The proposed conservancy planning tool is expected to assess up-front the various degrees of sustainability and necessary support during the course of the project and beyond.

(i) *Ecological sustainability:* The project will assure ecological sustainability through enhanced local and national level ecosystem planning and management. Linkages between communal, freehold conservancies, national parks and other community-managed areas will substantially increase conservation zones that are providing habitats and important biological corridors for wildlife movement. The project will enhance the development of a monitoring and evaluation system that link local level ecosystem monitoring with national level planning and monitoring and evaluation. The tailor-made integrated management plans will provide for cross-cutting sustainability (social, ecological, economic/financial) as they enhance the use of existing local governing structures (water committee, rangeland committee) and successfully support the delivery of locally (and globally) important environmental and financial services to communities in rural areas.

(ii) *Social sustainability:* The project contributes to social sustainability through proactive and continuous local and national stakeholder involvement in all phases of project preparation and implementation. Further, clear social goals, targets and programs will be developed and funded by other sources leveraged through the project. The capacity building and training component (focusing on a holistic, comprehensive local development agenda with special attention to integrated ecosystem management and sustainable livestock production) and the long-term presence of the local institutions will sustain the goals of the project in the long term and spread the CBNRM/conservancy approach with socio-economic and environmental benefits. The conservancy committee will include in the future additional village representatives to extend the participation of resource users and empower communities to decide on their livelihood strategies and governance systems. Economic sustainability as described below will of course contribute much to social sustainability.

(iv) *Economic and financial sustainability:*
In due course, the sustainable financing strategy for the project should factor in a phased reduction in grants to Conservancies and other CBO's, and a corresponding increase in the level of cost-sharing by local communities. It would be a mistake to underestimate the potential for mobilizing funds at the local level, particularly once communities appreciate the potential rate of returns on CBNRM investments and once the systems are in place to support the establishment and successful operation of such ventures. Over time, as Conservancies increase their financial management capacity and improve their credit worthiness, the project can also shift to a greater reliance on commercial sources of credit that can be obtained directly by the Conservancies to finance planned investments. Similarly, the longer term sustainable financing strategy should take account of a need to shift towards direct purchase of services by the Conservancies from the full range of available service providers (public, NGO, private sector), on a competitive basis. The project could begin to introduce the concept of "fee for service" to Conservancies, possibly with grants and other subsidies being reduced in a stepwise manner, from 100%, to 20% or less over a ten year period.
An economic analysis of sample conservancies has shown that conservancies are economically efficient[10] and most likely to become sustainable institutions. They contribute positively to national income and the development process. National economic benefits conservancies are calculated as value added to national income based on foreign exchange, unskilled jobs, and taxes generated by joint ventures. If environmental costs and benefits will be quantified and added, the economic benefits of integrated ecosystem management will be even greater. First assessments have shown that economic returns from conservancies can be greater than from non-diversified livestock farming.
Therefore, conservancies need to become largely reliant on self-generated income with external investment being used to create this potential.

[10] Expressed as annual contribution to gross and net national income, economic rate of return, economic net present value.

Further, executing agencies as service providers to conservancies will need to become more diversified and to begin providing services to the private sector as well as planning for an exit strategy for their support to conservancies over time.

(v) *Institutional sustainability:*
The new CBNRM Unit in the Ministry of Environment and Tourism will ensure the coordination with other MET directorates and CBNRM related Ministries. The project will be implemented by NGO's and decentralized governmental services. They possess a long term experience and field presence within the conservancy program and local development issues. However, there is a need to provide training and capacity building for new and increased governmental extension officers (CBNRM Unit staff) and the recently established RDCCs (regional development coordination committees) to increase their technical, organizational and managerial capacity. Thereby the quality of services delivered will be improved and will correspond better to the diversified needs of the communities. Further, as the current institutions are not able to serve all conservancy needs, the roll out project to conservancies will be designed to take these limitations into account to build the necessary capacity, in particular with regard to the emergence of conservancy associations.
It is foreseen that upon establishment and functioning of the multisectoral Regional Development Coordination Committee (governmental decentralized structure), representatives from conservancy committees or conservancy associations are participating in local development planning (including budget allocation). In this regard, the NACSO partnership concept between the government and the civil society provides the sustainable framework for establishing and strengthening transparent and accountable governance at local level.

2. Critical Risks

Risk	Risk Rating	Risk Mitigation Measure
From outputs to objective Output 1: Inadequate political support to CBNRM activities at national and regional levels	M	Effective communication and information dissemination on the success of CBNRM
Output 2: Competent staff unavailable for NACSO support organizations and MET based on capacity assessment	M	Effective training programme based on capacity assessment
Output 3: Inadequate incentives exist within villages to participate in conservancy development	M	Awareness raising on costs and benefits of integrated ecosystem management
Conservancies unable to sustain themselves through self-generating income	M	Design and implementation of long-term financing mechanism for conservancies
Output 4: Policy and legislation inadequately harmonised to enable integrated ecosystem management	M	Increased awareness, promotion of the concept of integrated management, exposure of regional and international best practices
Output 5: Inadequate demand for tourism and wildlife based services jeopardizing	M	Increased and effective marketing of

income generation in conservancies		services through NACOBTA
From Components to Outputs 1.Inadequate incentives to induce private sector investment in conservancies	M	1.Benefits identified for all stakeholders through task forces
2.Competent MET staff cannot be identified	M	2.In-service training programme based on capacity assessment
3.Potential conflicts of interest unavoidable between different stakeholders on land use and NRM	M	3.Mutual task forces to alleviate potential conflicts
Overall Risk Rating	M	Broad-based barrier removal approach based on root-causes threats analysis will prevent and assist to overcome identified risks above.

Risk Rating – H (High Risk), S (Substantial Risk), M (Modest Risk), N (Negligible or Low Risk)

Annex 1: Project Design Summary
NAMIBIA: Integrated Ecosystem Management in Namibia through the National Conservancy Network

Hierarchy of Objectives	Key Performance Indicators	Data Collection Strategy	Critical Assumptions
Sector-related CAS Goal: *Poverty alleviation through enhanced natural resource management.*	**Sector Indicators:** Resource based economic growth in participating rural communities attributable to the project	**Sector/country reports:** NDP reporting National Statistics Poverty Studies State of Conservancy Reports	**(from Goal to Bank Mission)** Country overall economic and political stability
GEF Operational Program: OP 12 Integrated Ecosystem Management with strong relevance to biodiversity and land degradation	Change in community resource planning and management patterns to achieve multiple benefits in particular biodiversity and land degradation	State of Conservancy Report National and community based M&E system	Same as above
Global Objective: **Project Development Objective** To assist stakeholders, under the NACSO partnership, to establish, operationalize and strengthen conservancies and related community-driven sustainable integrated ecosystem management activities that improve livelihoods and empower communities in rural Namibia **Project Global Objective** To enhance biodiversity conservation and to alleviate land degradation in the expanding conservancy network of Namibia.	**Outcome/Impact Indicators:** Expanded area under conservancy management Number of registered conservancies Total communal conservancy income and benefits Livelihood and attitude surveys Resource monitoring for measuring biodiversity conservation, land and water degradation and socio economic aspects available and applied in conservancies Globally significant biodiversity in conservancies maintained and enhanced through protection of indicator species and key habitats Increase of restored and rehabilitated degraded land	**Project reports:** State of Conservancy reports M&E system reports Review Management Plans	**(from Objective to Goal)** see risks outputs
Output from each Component: 1. Coherent financial, legal, organizational and policy framework for integrated ecosystem management in conservancies in place	**Output Indicators:** Number of Ministries joining NACSO or subscribing to NACSO mandate Policy, legislation and strategy pertaining to conservancies in place Passage of Parks and Wildlife	**Project reports:** Annual General meeting Report, Quarterly proceedings Presence of relevant documents	**(from Outputs to Objective)** Continuous political support to CBNRM activities in conservancies at national and regional levels Investment and recurrent budget of GRN is sufficient

	legislation and regulations with strengthened rights to conservancies Approval of mechanisms that provide incentives for conservancies and private sector to better manage and develop their resources Approved and established appropriate long term financing mechanism(s) Number and types of service providers contributing to CBNRM through conservancies Market-based instruments in place.	Tax deferments, PTOs, concessions, quota allocations, private sector leverage fund Facility in place State of Conservancy reports	to meet financing and human resources need of MET and other relevant ministries Sufficient resource tenure and regulatory control over all natural resources and exclusion of outsider activity is enabled in conservancies Communal land reform contributing to relieving pressure on communal lands Decentralization will enable effective planning and implementation of CBNRM in conservancies.
2. Improved capacity of support organization network to deliver efficient, cost-effective and demand-driven services to conservancies (Fn.Includes emerging or registered conservancies, which are targeted by the Project. Other CBOs focused on integrated natural resource management will also be considered.)	Number of requests for support organization services met State of Conservancy Report published annually and integrated in monitoring and evaluation system (State of environment). Effective coordination and communication mechanisms among NACSO members established and facilitated Level of satisfaction expressed by clients with service levels Annual work plans and budgets of NACSO working groups prepared and implemented in line with agreed standards Conservancy planning tool developed and used in directing support to various conservancies	NACSO database, Rossing Foundation database State of Conservancy Report NACSO Annual Report Minutes of meetings Annual reports and surveys Annual work plans presented by NACSO Conservancy planning tool documented	Competent staff available for NACSO support organizations and MET based on capacity assessment Conservancies are willing to pay for the services on cost recovery basis Lead agency in each region/theme has appropriate capacity or will acquire appropriate capacity to effectively lead
3. Representative, accountable, participatory and financially viable decision-making and management institutions established and functioning in conservancies	Number of conservancies where all relevant sections of member populations are duly represented in management structures Number of conservancy associations established and operational (including partnerships between communal and freehold) Number of conservancies with transparent administration and financial management systems used in monitoring, evaluation	Attitude surveys State of Conservancy reports Conservancies reports and audits	Sufficient incentives exist within villages to participate in conservancy development and management. Competent staff available for conservancy management Conservancies able to sustain themselves through self-generating income

	and reporting Number of conservancies with management institutions regularly reporting to their respective constituencies and members Number of conservancies covering 50% or 100% of operating costs through self-generated income	 Conservancies committees meeting reports Conservancies reports and surveys	
4. Improved resource base through ecologically sound integrated planning, management and M&E mechanisms in conservancies	Number of conservancies with established and implemented integrated management plans Increase in sighting frequency of wildlife populations in key wildlife areas targeted for translocations Number of conservancies producing M&E reports covering integrated resource use and fed into national system Number of conservancies implementing animal conflict strategies Supplementary information on biodiversity impacts provided into M&E through appropriate mechanisms	State of Conservancy Reports Review of Management Plans M&E system State of Conservancy Reports State of Environment Reports State of Conservancy Reports State of Conservancy Reports	Policy and legislation sufficiently harmonised to enable integrated natural resource management Conservancies are able to sustain M&E systems in the long term Sufficient and affordable supply of wildlife for translocation purposes
5. Increased, tangible, equitably shared, socio-economic benefits accrued to conservancy members and other stakeholders from sustainable utilization of biodiversity and other natural resources	Number of conservancies with established and implemented benefit-sharing mechanisms Number of conservancies with enterprise/option plans Number and types of income generating activities (joint venture, trophy hunting, SMEs, etc.) Number of people employed in conservancy based initiatives and conservancies (full time, part time) Number of households directly benefiting from conservancy income and other benefits Number of conservancies funding rural development activities through revenue generated	Enterprise database at NACOBTA State of Conservancy reports NACOBTA databases NACOBTA databases NACOBTA databases State of Conservancy Report	Adequate demand for tourism and wildlife based services enabling income generation in conservancies Sufficient policy incentives are introduced to induce private sector investment Sufficient capacity exist in communities to enable establishment of equal partnerships with the private sector
6. Effective project management	Relevant demand driven databases and information systems established and operational at NACSO	NACSO annual report	

	Secretariat and PCU Regular steering committee meetings for planning and monitoring held Number of programme related consultations with the donor community Project work plans and progress reports produced on time in line with agreed standards	 NACSO annual report Minutes of meetings State of Conservancy reports Work plans and progress reports, NACSO annual reports	
Project Components/Sub-components 1. Develop a national coherent framework for CBNRM in conservancies	**Inputs: (Budget for each Component)** US$ 0.7 million	**Project Reports**	**(from Components to Outputs)**
Policy, legislation, strategy · Strengthen CBNRM coordination between MET and other Ministries · Harmonise inter-ministerial support policies for CBNRM activities · Strengthen National CBNRM policies and legislation to provide conservancies to sustainably manage their resources	0.25	Memorandum of Understanding Tourism policy Memorandum of Understanding, CBNRM policy document New Parks and Wildlife Act & regulations, Tourism policy Association constitution	Adequate incentives exist for establishing improved inter-ministerial coordination
Advocacy and communication · Facilitate formation of conservancy association(s) to provide advocacy and direction for conservancy development · Produce and disseminate annual State of Conservancy Report to key stakeholders · Develop HIV/AIDS prevention guidelines and programme for capacity building	0.25	State of Conservancy Report, State of Environment Reports	Collaboration can be initiated and maintained between freehold conservancies1 and communal conservancies
Incentive and financing framework · Create incentives for private sector investment through policy initiatives in conservancies · Identify and support long-term financing mechanism for conservancies in particular with low economic viability	0.2		Adequate incentives can be identified to induce private sector investment in conservancies

2. Improve capacity of CBNRM support organizations to deliver cost effective, demand driven services to conservancies.	US$ 0.75 million	Tourism policy Facility documentation	
Training and research · Develop the human and material capacity of the CBNRM unit at MET based on work plans and capacity assessment · Develop capacity (training material) of support organizations in relevant CBNRM areas (NRM, business plans, institutional development), policies and legislations · Develop capacity of relevant NACSO members to undertake analytical research in support of the CBNRM programme	0.25 0.25	Annual Report Work plans, annual reports Progress reports, Guidelines Work plans, annual reports Training materials Research programme	Competent staff can be identified and recruited for CBNRM unit based on capacity assessment
Stakeholder collaboration · Establish linkage with Polytechnic to support curriculum development to build capacity for CBNRM · Increase participation of the private sector in CBNRM activities · Develop Joint Venture Unit capacity and guidelines to support creation of conservancy joint ventures and other businesses		Curriculum, Memorandum of Understanding Joint venture agreements NACSO annual report Guidelines	Sufficient interest exists at the Polytechnic to develop curriculum to include CBNRM
Investment planning · Develop conservancy-planning tool to guide appropriate investments, development approaches and to identify appropriate national and international partners.	0.25	Planning tool guidelines State of Environment report Guidelines, databases	
3. Build capacity of conservancy institutions.	US$ 0.9 million	Annual surveys in conservancies	
Governance and administration · Develop participatory democracy concept for increased accountability of conservancy institutions · Develop skills and mechanisms	0.45	Guidelines Documentation on	

for standardized administration and financial management and equitable benefit sharing · Clarify roles and develop appropriate relationships between conservancies, traditional authorities, regional governments, private sector, etc. · Facilitate access to legal support services for conservancies *Planning and management* Provide technical assistance and training on integrated management planning of conservancies Provide training on community based implementation of integrated management plans, and prepare respective guidelines 4. Support integrated ecosystem management in targeted conservancies. ***Planning and implementation (mainly in North-East and South)*** · Prepare integrated management plans within conservancies including baseline inventories · Prepare and implement translocation programme based on integrated management plans including M&E of the translocation model · Prepare and implement investment programme for infrastructure development to improve habitats · Prepare and implement strategy to minimize people vs. animal conflicts · Promote coordinated natural resource management and zoning plans between conservancies and between conservancies and national parks ***Monitoring and evaluation (M&E)*** Develop and implement M&E systems for the implementation of integrated ecosystem management plans and monitoring of biodiversity	0.45 US$ 2.9 million 2.3 0.6	approved systems Training reports Organograms, Workshop proceedings Legal working group strategy document Training reports Guidelines Integrated management plans Translocation strategy document Funding guidelines and contracts National/ regional policy and strategy document, Reports on agreements Zoning plans, maps, memorandum of understanding M&E system documentation Feasibility study reports, market promotion materials Regional conservancy plans Feasibility study reports	Sufficient satisfaction expressed by conservancies with services provided Potential conflicts of interest can be avoided or settled between different stakeholders on land use and NRM Increased number of wildlife in conservancies will not result in significant problems caused by people vs. animal conflicts

5. Increase socioeconomic benefits and benefits sharing to achieve sustainability	US$ 0.95 million	Joint venture agreements and guidelines	
Planning and feasibility studies · Assist conservancies in identifying, products, markets and means of marketing and planning enterprises · Develop and implement tourism option plans at conservancy and regional levels · Assist conservancies to undertake feasibility assessments on potential spin-off enterprise opportunities and provide enterprise support training	0.65 0.3	Training reports Websites, regional workshop proceedings Minutes of meetings Meeting reports	
Remove barriers to benefit generation · Assist conservancies in tendering, negotiating, and managing joint ventures Provide training on business management to CBNRM enterprises		Minutes of meetings, State of Conservancy Reports Agreements, State of Conservancy Reports	Attractive products and enterprises can be identified to complement income from tourism related activities
6. Program Coordination · Increase capacity of NACSO secretariat to establish regional and international linkages in support of CBNRN · Develop advocacy skills and communication strategy for raising political support · Develop skills in NACSO secretariat to facilitate positive relationships between NACSO members · Facilitate capacity of NACSO secretariat to improve donor coordination in implementing CBNRM programme · Increase capacity of NACSO secretariat to leverage donor funds and manage project activities · Develop monitoring and evaluation system for project implementation.	US$ 0.9 million		

Annex 1 b: Detailed Project Description

The Program purpose and development objective is to *assist stakeholders under the NACSO partnership to establish, operationalize and strengthen conservancies and related community-driven sustainable integrated ecosystem management activities that improve livelihood and empower communities in rural Namibia* .

As part of this purpose, the Program has identified a global objective which is *to enhance biodiversity conservation and to alleviate land degradation in the expanding conservancy network of Namibia.*

Program components

The World Bank/GEF support to the Program will play a key role in contributing to meet these objectives and is intended to be implemented through the following 6 identified components:

The **first component** aims at *developing a coherent financial, legal, organizational and policy framework for sustainable integrated ecosystem management.*
(i) The first sub-component, on coordination, strengthening and harmonization of legislation and policies will develop new, and improve existing coordination mechanisms between the Ministry of Environment and Tourism and other relevant Ministries, such as the Ministry of Agriculture, Water and Rural Development, Ministry of Lands, Resettlement and Rehabilitation, and Ministry of Local Government and Housing as well as within the different key entities of the Ministry of Environment and Tourism. It also aims at harmonizing inter-ministerial support policies and legislation for CBNRM and conservancies related activities. This sub-component also provides support to strengthen CBNRM policies and legislation at the local level thus enabling conservancies to firm up their ownership of the resources, ensure equitable benefit sharing and sustainably manage their ecosystems;
(ii) The second sub-component supports the development of advocacy and communication mechanisms both at national, regional and local level to contribute to raise awareness, increase ownership, disseminate lessons and knowledge related to the features and achievements of the conservancies movement. As part of this process, it also aims at facilitating and mentoring the formation of conservancy association(s), which would provide the necessary advocacy and direction for conservancy development from a decentralized perspective. This sub-component also supports the development, production and dissemination of annual State of Conservancy Reports to all key stakeholders, which represent a transparent, public and accountable feed back mechanism for the Program. Activities will also ensure mainstreaming and streamlining of major development challenges with a priority on developing HIV/AIDS prevention guidelines and activities for improved related capacity building at all levels;
(iii) The third sub-component aims at developing and introducing incentive and financing mechanisms, which will provide for long term and sustainable support to conservancies. This applies particularly to the creation of incentives for private sector investment through policy initiatives in conservancies. The sub-component also tries to identify and support long-term financing mechanism for the conservancies with low economic viability but high global ecological and biodiversity value.

Total component costs is US$ 3.8 million with GEF contributing US$ 0.7 million.

The **second component** aims at *improving the capacity and ability of the support organization network to deliver efficient, cost-effective and demand-driven services to conservancies*.
(i) The first sub-component focuses on training, equipment and targeted research to develop the human and material capacity of the newly created CBNRM unit at the Ministry of Environment and Tourism (MET). Long term sustainability also relies on strong technical and analytical capacity of the MET to

fully support, adapt and understand the enabling policy and organizational framework for CBNRM and conservancies in Namibia. Support will be provided based on respective work plans and detailed capacity and gaps assessment.
In parallel and coordinated with, activities will develop the ability of NACSO NGOs members to play an active role, under the NACSO partnership approach, in relevant CBNRM areas, such as business planning, priority setting and institutional development at the decentralized and local level. This will include facilitating the training of on all relevant CBNRM policies and legislations. The training of trainers (TOT) approach for capacity building will be promoted and applied so as to improve the effectiveness of the training programs. Training material on CBNRM facilitation will be produced.
The same sub-component will also provide resources to undertake, outside, but in close consultation with, the Government, analytical research in support of the CBNRM program to assess impact and help understand issues the Program is facing. These activities will much contribute to increase transparency, feed into knowledge management and support dissemination of information.
(ii) The second sub-component aims at enhancing stakeholder participation and collaboration in CBNRM activities at the national and regional level. The program will establish linkage with the Polytechnic to support curriculum development to build capacity for CBNRM and increase participation of the private sector in NACSO activities. The capacity of the Joint Venture Unit at NACOBTA will also be strengthened and guidelines to support the creation of conservancy joint ventures developed.
(iii) The third sub-component focuses on investment planning aims at supporting the implementation of the conservancy development/planning tool to guide Program development priorities, raise additional targeted financial support, guide appropriate investments and development approaches in conservancies.

Total component costs US$ 3.45 million with GEF contributing US$ 0.75 million.

The **third component** aims at *creating representative, accountable, participatory and financially viable decision-making and management institutions in conservancies.*
(i) The first sub-component on governance and administration at the conservancy level will promote the participatory democracy concept for increased accountability of conservancy institutions. It will also develop skills and mechanisms for standardized administration, financial management and equitable benefit sharing. The clarification of roles and development of appropriate relationships between conservancies, traditional authorities, regional governments, private sector, etc. will also constitute a major activity. The access of conservancies to legal support services will also be facilitated.
(ii) The second sub-component will support capacity building on integrated management planning at the community level. These activities will also contribute to mainstreaming CBNRM within the communities. It will also guide the implementation of integrated management plans, as well as facilitate the preparation of respective manuals and guidelines.

Total component costs US$ 4.8 million with GEF contributing US$ 0.9 million.

The **fourth component** aims at *creating an improved resource base through sound integrated management planning, implementation, investments and M&E mechanisms on the ground, at conservancy levels*.
(i) The first sub-component will facilitate the preparation of actual integrated management plans covering all natural resources within conservancies, including relevant baseline inventories. Based on the management plans, activities to strengthen and/or restore the resource base will be identified and developed, including, in selected conservancies, translocation programs. M&E of the respective translocation models will be designed and implemented. One of the principal components of the integrated management plans will be an investment program for infrastructure development to improve integrated management of natural habitats. In particular, the strategy to minimize people and livestock vs. wildlife conflicts and competition, increase synergy and enhance overall benefits will also be prepared and implemented. The GEF will play a catalytic role in selected conservancies both in existing and

emerging ones based on the guiding principles presented in the document. Over the medium to long term, and based on feed back from the GEF supported phase, the systematic use of the planning tool will continue to support the decision making process. At the level of a cluster of conservancies (in the North West, in particular), broader innovative landscape approaches will be developed through improved coordination among conservancies planning and investments processes, and between conservancies and National Parks, in line with the recommendation of the National Biodiversity Strategy. The latter is expecting to be facilitated through the creation of Regional Conservancy Associations.
(ii) The second sub-component will support the implementation of a comprehensive M&E systems at the conservancy level, including detailed biodiversity and ecosystem monitoring in selected conservancies with support from external technical assistance, as well as a mainstreamed community based M&E mechanism in all conservancies. Both will feed into a national level M&E system to be also supported through this component.

Total component costs US$ 10.9 million with GEF contributing US$ 2.9 million.

The **fifth component** aims at *producing increased, tangible and equitably shared socioeconomic benefits to conservancy members and other stakeholders through sustainable utilization of natural resources, and through the creation of spin-off enterprises to achieve sustainability*.
(i) The first sub-component will assist conservancies in identifying products, markets and means of marketing and planning enterprises, as well as developing and implementing tourism option plans at the conservancy and regional levels (cluster of conservancies or/and partnerships with National Parks and freehold conservancies). Conservancies will also be assisted to undertake assessments on and engage into potential spin-off enterprise opportunities. External support to local capacity will be provided with the objective to further develop empowerment.
(ii) The second sub-component on business development aims at removing barriers that prevent established conservancies in tendering, negotiating, managing joint ventures and providing training on business management to CBNRM enterprises.

Total component costs US$ 5.05 million with GEF contributing US$ 0.95 million.

The **sixth component** will support the *establishment of a program coordination unit to effectively manage program activities.* (i) The capacity of NACSO secretariat will be enhanced so as to establish regional and international linkages in support of CBNRM approach, and to develop advocacy skills and communication strategy for raising increased political support. (ii) Necessary skills will also be developed within the NACSO secretariat to facilitate program coordination management and ensure positive relationships among all NACSO members. (iii) Technical support will also be provided to enable NACSO secretariat to improve donor coordination on CBNRM and to leverage additional donor funds for the program implementation, stressing the also the financial catalytic role of GEF support, (iv) implementation of Performance Monitoring at the Program level, support to financial management and support for external audit will be provided.

Total component costs US$ 2.1 million with GEF contributing US$ 0.9 million

Annex 2:

Incremental Cost Analysis

Background

The Namibian approach towards Community-Based Natural Resource Management (CBNRM) is embedded in an initial policy and legal framework that grants rights over wildlife and tourism management, and uses to communities on their lands once they are organized as conservancies. To date the main focus of efforts towards a national community-based natural resource management (CBNRM) Program has been on the establishment and use of conservancies as a vehicle for the management of wildlife within communal areas. Individual conservancies have been piloted in a limited number of strategic regional locations mainly in the north-eastern and north-western areas of Namibia.

I Baseline Scenario

Under the baseline scenario, the CBNRM/Conservancy Program of Namibia would remain limited in scope, including in its geographic coverage. It would remain mainly focus on wildlife management where possible and would be weak in his ability to address key policy, capacity and financial barriers to sustainable integrated ecosystem management. In particular, it would *have a limited impact on or would not be able to:*

(i) support further the development of a national policy and legal framework for the CBNRM program involving a wider audience of government agencies and other stakeholders;

(ii) support and empower further national and local CBRNM support organizations under the NACSO partnership to establish and maintain an operational framework that provides enlarged capacity building services to communal conservancy institutions with a focus on post-registration advice, community-based monitoring and evaluation systems, development and implementation of integrated management plans. Services would tend to remain supply driven and cost efficiency in delivering these services would remain limited and unsustainable,

(iii) promote enhanced democratic conservancy management and accountable decision-making processes in regional development coordination committees under the decentralization, with special emphasis on participation and good governance thus enabling conservancies to manage all their natural resources and duly report to their respective members and constituencies,

(iv) support additional investments supporting integrated ecosystem management in targeted areas of global importance, that represent one of the condition for sustainability, and to,

(v) promote consistently joint-ventures with the private sector in suitable conservancies as well as an operational framework for alternative livelihood strategies to increase income for rural population.

Moreover, the baseline scenario would not bring together, and leverage, several funding sources and activities to jointly develop and implement the broad-based national cross-sectoral CBNRM Program as the vehicle for community-based integrated local development and ecosystem management.

Baseline scenario costs. Total expenditures under the Baseline scenario are estimated at US$ 18.2 million provided by different sources of funding (see tables 1 and 2 below)

II. GEF Alternative

The global environmental objective of the GEF alternative is *to enhance biodiversity conservation and to alleviate land degradation in the expanding conservancy network of Namibia*.

The GEF Alternative's strategic choices focus on using the catalytic support of GEF to implement a Program that will:

(i) remove/reduce the barriers (institutional and capacity; policy and legal and financial) to sustainable integrated ecosystem management in the conservancy network with a strong relevance to biodiversity and land conservation and management and to the implementation of agreed strategic choices (see 3.1. Analysis of barriers);

(ii) support selected conservancies likely to deliver important global environmental benefits as identified above, as well as to enhance knowledge management, replication and sustainability. Based on a landscape approach, the GEF Alternative will support the expansion of the conservancy network (including the promotion of conservancy associations and partnerships between communal and freehold conservancies) thereby reducing man-made barriers to ecosystem boundaries and enlarging habitats and wildlife corridors in areas of national and global priority.

In particular,

a. GEF funding will provide a great opportunity to catalyze the move from a scattered project-based support to a broader holistic program based on a shared and long-term vision. It will stress ownership by the partners and cooperative partnerships between local and national stakeholders including the private sector and donor agencies, and
b. GEF funding will contribute to the decentralization of services and natural resources management, which is in conformity with GRN policies. The promotion of local level decision-making is addressed through encouraging and empowering of the rural population in the management of their natural resources, and by promoting the decentralization of management responsibilities. This also enables the conservation and increased utilization of traditional indigenous knowledge and local institutional capacity in the decision-making.

Components of the GEF Alternative:

The project, supported by the GEF has 6 inter-related components with sub-components that together serve to introduce and implement integrated ecosystem management to deliver global environmental benefits as to improve livelihoods of rural communities in Namibia.

Component 1. Develop a national coherent framework for CBNRM in conservancies
Output: Coherent financial, legal, organizational and policy framework for integrated ecosystem management in conservancies in place.

The incremental nature of the GEF contribution is reflected in expanding the Program to become a national CBNRM Program through extensive inter-sectoral collaboration and coordination in which all relevant Ministries are involved. The GEF increment will support the further development of the CBNRM legal and policy framework, which is currently inadequate to enable effective community-based integrated ecosystem management. The current legislation is fragmented and does not enable conservancies to control access of all natural resources or control tourism.

Total costs of GEF Alternative component: US$ 3.8 m. Increment 1.1 m with GEF 0.7 m and Others 0.4 m.

Component 2. Improve capacity of CBNRM support organizations to deliver cost effective, demand driven services to conservancies

Output: Improved capacity of support organization network to deliver efficient, cost-effective and demand-driven services to conservancies

The incremental capacity building of support organizations to be provided by the GEF funding will enable these service providers to expand their expertise and capacity to cover post-registration support to conservancies. The capacity of support organizations in relevant CBNRM related areas (such as NRM, M&E, business plans, institutional development) will be enhanced and partners will be trained to master all relevant CBNRM policies and legislation. It is also agreed that there is a need to review and revise support delivery systems to lower costs and increase impact. This will be implemented by revising delivery mechanisms under an increased output and result oriented approach and by promoting training of trainers (TOT) approach for capacity building.

Total costs of GEF Alternative component: US$ 3.45 m. Increment 1.35 m with GEF 0.75 m and Others 0.6

Component 3. Build capacity of conservancy institutions

Output: Representative, accountable, participatory and financially viable decision-making and management institutions established and functioning in conservancies

The GEF alternative incremental support to conservancy management committees and institutions will foster good governance of conservancy management and accountability of decision-making. The conservancies will be strengthened as participatory democracies based on control by the constituency acting through accountable, transparent, result oriented, democratic and equitable village-level institutions thus enabling also the development equitable benefit-sharing mechanisms. Improvement of technical capacity in M&E design and implementation, and business/tourism enterprise development will assist the conservancies in attaining sustainability.

Total costs of GEF Alternative component: US$ 4.8 m. Increment 1.4 m with GEF 0.9 m and Others 0.5 m.

Component 4. Support integrated ecosystem management in targeted conservancies

Output: Improved resource base through ecologically sound integrated planning, management and M&E mechanisms in conservancies

The GEF alternative will assist in expanding management and priority investments on the ground to support the shift towards integrated ecosystems management addressing sustainable uses issues including sustainable cropping, grazing of livestock, wildlife management, harvesting of multiple resources, aspects of water management, scenic values as well as small scale businesses for alternative livelihood. Monitoring and evaluation (M&E) systems at community and national levels covering natural resources and biodiversity, socio-economic impacts and institutional and governance issues, will be developed and implemented.

Total costs of GEF Alternative component: US$ 10.9 m. Increment 4.9 m with GEF 2.9 m and Others 2.0 m.

Component 5. Increase socio-economic benefits and benefits sharing to achieve sustainability

Output: Increased, tangible, equitably shared, socio-economic benefits accrued to conservancy members and other stakeholders from sustainable utilization of biodiversity and other natural resources

The aim of the GEF alternative is to assist selected conservancies in identifying products, markets and means of marketing and planning enterprises with a focus on small and medium rural spin-off enterprises that specifically target community ownership and management. Under a barrier removal conceptual approach, technical assistance will also be provided to assist conservancies in tendering, negotiating, and managing joint ventures with the private sector.

Total costs of GEF Alternative component: US$ 5.05 m. Increment 1.95 m with GEF 0.95 m and Others 1.0

Component 6. Project coordination
Output: Effective project management
The Program coordination unit will be fully streamlined and established within NACSO secretariat. The secretariat will be supported through capacity building in relevant areas such as advocacy skills and communication strategy to enable effective Program management, increased political support and improved donor coordination.

Total costs of GEF Alternative component: US$ 2.1 m. Increment 1.2 m with GEF 0.9 m and Others 0.3 m.

III. Incremental Cost Analysis

Incremental Benefits. The contribution to policy and legislative review on CBNRM, mobilization of inter-ministerial support network and harmonization of CBNRM approaches under various sectors will allow the implementation of long-term strategies for integrated ecosystem management. This will lead to enhance biodiversity conservation, alleviate land degradation, and create a conducive framework for sustainable socio-economic development. The layered M&E system developed will enable the recording of performance and impact as well as sharing experiences, dissemination of best practices for replication and implementation of policy recommendations at national, regional and global levels.

Through integrated ecosystem management approaches in conservancies, the proposed activities will result in significant adjustments in the ecosystem and natural resources management patterns and in an improved resource base. This will enhance the generation of sustainable global benefits, particularly by reducing habitat conversion, loss, and fragmentation by competing land uses and land degradation through soil erosion and desertification. The activities will also reduce unsustainable utilization of wild plants, animals and wildlife products and water resources.

The envisaged strong local participation at the conservancy level and the positive economic impacts of the planned income generating activities will produce a positive impact on the livelihood of conservancy members and other stakeholders thus alleviating root causes to environmental degradation and ensuring long-term sustainability of the project activities. The expected strengthened capacity of community-based service organizations will enable continuous demand-driven technical support to the conservancy institutions to assist them in conservancy management and administration as well as in the integrated ecosystem management.

Incremental Costs (see Tables 1 and 2 below). The difference between the costs of the baseline scenario (US$ 18.2 million) and the GEF Alternative (US$ 30.1) is estimated at US$ 11.9 million. The baseline costs will be covered by international and local sources of funding as presented in Table 1. The requested GEF contribution is US$ 7.1 million. GEF funding is sought to cover part of the incremental costs of removing barriers to effective policy formulation, capacity building, development and adoption of integrated ecosystem management approach, and development of related monitoring of environmental (M&E) services, as well as project coordination and management. The breakdown of the financing is summarized in the following tables:

Table 1

	Baseline US$	GEF Alternative US$	Increment US$		
	Total	**Total**	**GEF**	**Others**	**Total**
Component					
1. Develop a national coherent framework for CBNRM in conservancies:	2.7	3.8	0.7	0.4	1.1
2. Improve capacity of CBNRM support organizations to deliver cost effective, demand driven services to conservancies	2.1	3.45	0.75	0.6	1.35
3. Build capacity of conservancy institutions:	3.4	4.8	0.9	0.5	1.4
4. Support integrated ecosystem management in targeted conservancies	6.0	10.9	2.9	2.0	4.9
5. Increase socio-economic benefits and benefits sharing to achieve sustainability	3.1	5.05	0.95	1.0	1.95
6. Programme Coordination	0.9	2.1	0.9	0.3	1.2
Total	18.2	30.1	7.1	4.8	11.9

Table 2

Summary of Local and Global Benefits of the Baseline and Alternative Scenario				
Component	**Cost Category**	**US$ million**	**Domestic Benefit**	**Global Benefit**
1. Develop a national coherent policy and legal framework for CBNRM in conservancies	Baseline	2.7	Fundamental policy and legal framework for wildlife management and tourism development in conservancies in place	Limited global environmental (mainly biodiversity) benefits due to conservation
	GEF Alternative	3.8	Enabling environment for inducing cross-sectoral cooperation and necessary incentives for conservancies to sustainably plan, manage and monitor all natural resources in an integrated manner	National policy and legislation to enhanced integrated ecosystem management in place including support for implementation of National Biodiversity Strategy and Action Plan and National Action Plan to Combat Desertification

Summary of Local and Global Benefits of the Baseline and Alternative Scenario				
Component	**Cost Category**	**US$ million**	**Domestic Benefit**	**Global Benefit**
	Increment	1.1		
2. Improve capacity of CBNRM support organizations to deliver cost effective, demand driven services to conservancies	Baseline	2.1	Enhanced capacity of CBNRM support organisations to facilitate conservancy establishment, registration and basic monitoring of wildlife	Basic monitoring of wildlife and habitats.
	GEF Alternative	3.45	Enhanced capacity of CBNRM support organisations to provide services contributing biodiversity conservation and integrated ecosystem management	Enhanced capacity of CBNRM support organisations including government institutions to provide capacity building services to protect globally important biodiversity and ecosystems and alleviate land degradation
	Increment	1.35		
3. Build capacity of conservancy institutions:	Baseline	3.4	Enhanced capacity in emerging conservancies to meet requirements for conservancy registration and establishment and management and monitoring of wildlife	Increased capacity to establish conservancies and conservancy management committees enabled to manage and monitor wildlife species of global significance
	GEF Alternative	4.8	Enhanced participation, representativeness, accountability, and financial sustainability of conservancy decision-making institutions to manage and utilize	Effective capacity for the management and conservation of globally important biodiversity and ecosystems created at local and national levels

Summary of Local and Global Benefits of the Baseline and Alternative Scenario				
Component	**Cost Category**	**US$ million**	**Domestic Benefit**	**Global Benefit**
			natural resources sustainably and equitably	
	Increment	1.4		
4. Support integrated ecosystem management in targeted conservancies	Baseline	6.0	Management planning & monitoring mechanism established for wildlife and tourism development and respective M&E	Management and monitoring mechanism developed for the development and utilization of globally important wildlife resources
	GEF Alternative	10.9	Reduced land degradation and unsustainable use of natural resources through sustainable integrated planning and management of all natural resources in conservancies including M&E mechanism for performance and impact	Reduced land degradation, and increase in protection of globally important biodiversity and ecosystems through integrated management, planning and M&E mechanisms based on international and national expertise, and indigenous knowledge
	Increment	4.9		
5. Increase socio - economic benefits and benefits sharing to achieve sustainability	Baseline	3.1	Financial benefits generated in conservancies with high tourism and trophy hunting potential	Reduced poaching of wildlife species of global significance
	GEF Alternative	5.05	Increased financial benefits to conservancies and members through a variety of enterprises based on sustainable management and development of natural resources	Reduced illicit and unsustainable harvesting of globally valuable tree species, wild plants, animals and wildlife species due to diversified and improved livelihoods for

Summary of Local and Global Benefits of the Baseline and Alternative Scenario				
Component	**Cost Category**	**US$ million**	**Domestic Benefit**	**Global Benefit**
			and eco-tourism to achieve diversified livelihoods and sustainability	rural communities in conservancies
	Increment	1.95		
6. Programme Coordination	Baseline	0.9	Enhanced capacity of NACSO secretariat to serve CBNRM support organizations	Not specific
	GEF Alternative	2.1	Increased capacity of NACSO secretariat to coordinate CBNRN programme in Namibia	PCU will be responsible for overall project implementation to achieve project's global objectives and expected outcomes.
	Increment	1.2		
TOTAL	**Baseline**	**18.2**		
	GEF Alternative	**30.1**		
	Increment	**11.9***		

*(GEF: 7.1; Other: 4.8 – See Table 1)

Annex 3: Environmental Threats Analysis

Integrated Ecosystem Management in Namibia Through The National Conservancy Network

MAJOR ENVIRONMENTAL THREATS FOCUSSING ON CONSERVANCY NETWORK	ROOT CAUSES	SOLUTIONS INCLUDING GEF INTERVENTION	RISKS
1. Habitat conversion, loss, and fragmentation by competing land uses (e.g. agriculture, urban expansion and mining)	•Poverty, inequality and inequitable distribution of natural resources Cross-cutting root cause for all threats •Policy distortions (inducing environmental degradation) and poor implementation •Policies and market institutions fail to incorporate environmental values into decision-making •Lack of secure and exclusive group land tenure •Population pressure and settlement •Gradual erosion of the power and status of traditional leaders (open access situations) •Problem animal conflicts and inappropriate incentives	• Communal land reform and development of policies and strategies for equitable distribution of natural resources (1 Refers to the logframe component number addressing the issue) • Coordinate and streamline all policies and programs affecting NRM, biodiversity and integrated ecosystem management across all sectors (1) • Harmonization of inter-ministerial support policies for CBNRM activities (1) • Environmental values and economic assessment incorporated in decision-making processes (4) • Efforts to influence the Communal Lands Bill (1) • Effective land use planning (4) • Involving traditional leaders and local community members in integrated management of ecosystems (3) • Development and implementation of Integrated Ecosystem Management Plans (4) • Environmental Assessments (4)	Communal land reform will not contribute to relieving pressure on communal lands Inadequate incentives for establishing improved inter-ministerial coordination Sufficient resource tenure and regulatory control over all natural resources and exclusion of outsider activity is not enabled in conservancies Inadequate improvement in the present resource base of farmers Low Environmental Assessment (EA) capacity Applies to all sections addressed by EAs
2. Land degradation through soil erosion, desertification and biodiversity loss (including bush encroachment)	•Policy distortions (subsidies for water and livestock) •Lack of secure and exclusive group land tenure	• Integration of agriculture and water management policies and strategies (1) • Improved coordination amongst governmental and NGO service organizations (1) • Holistic, ecologically, economically and socially	Inadequate sectoral integration within MAWRD Failure to acknowledge and rectify fundamental ecological insights concerning the management of drylands

		sustainable decision-making at local level (3)	Inadequate incentives exist within villages to participate in conservancy development
	•Population pressure and settlement •Overgrazing •Altered fire regimes causing wild fires •Inappropriate farming and land use practices •Lack of institutional capacity and knowledge of appropriate land management •Short-term economic and environmental views by resource users	• Effective and decentralized governmental and NGO support services (2) • Resource assessments and management and using indigenous knowledge (4) • Development and implementation of Integrated Ecosystem Management Plans including fire management (4) • National biodiversity monitoring system at national, sub-regional and local levels and integration of results into future strategies (4) • Environmental awareness raising and education • Environmental Assessments (4)	Inadequate competent staff for support organizations and MET based on capacity assessment Resistance to change by GRN and resource users Conservancies turn out unable to sustain M&E systems in the long term
3. Illegal and unsustainable harvesting of wild plants, animals and wildlife products	•Lack of secure and exclusive group land tenure •All natural resources not covered by conservancy legislation •Population pressure and unemployment •Traditional customs for construction of shelter, medicinal practices, etc. •Gradual erosion of the power and status of traditional leaders (open access situations) •Unsustainable patterns of consumption, production and trade •Lack of medium and long-term planning for sustainable use of resources.	• Efforts to influence the Communal Lands Bill (1) • Legislation on conservancies to grant communal area residents same rights and benefits over wildlife as private landowners (1) • Community Forest Reserves established and recognized as mechanisms for forest management at local level (1) • Development of alternative livelihood strategies based on sustainable use of natural resources (5) • Development of pattern for sustainable consumption and alternative uses (live fences, etc) (4) • Parks & Neighbours Policy to recognize conservancies on the borders of protected areas as legal management partners for GRN (1) • Devolving management and enforcement of natural resources to local level (1) • Capacity strengthening of conservancies on sustainable	Sufficient resource tenure and regulatory control over all natural resources and exclusion of outsider activity is not enabled in conservancies Policy and legislation is not adequately harmonized to enable integrated natural resource management Inadequate demand for tourism and wildlife based services jeopardizing income generation in conservancies Communal land reform will not contribute to relieving pressure on communal lands

		integrated management of natural resources (3) • Development and implementation of Integrated Ecosystem Management Plans (4) • Development of management guidelines for all conservation categories applying indigenous knowledge on resource use also (4) • Improved protected species permit system and border control (1)	
4. Unsustainable use of water resources	•Policy distortions (subsidies for water and livestock) •High population growth and rapid urbanization •Unsustainable irrigation development •Water consumption by certain sectors (tourism and agriculture) •Water supply design and maintenance faults	• Harmonization of Water and Sanitation Policy with other relevant policies (1) • Promotion and capacity building of community based Water Point Committees (3) • Support to Basin Management Committees as most appropriate local level institutions for water resource management (3) • Water Demand Management applied in selected communal conservancies and other CBOs (4) • Maintenance of ecological functions and values of wetlands (4) • Treatment of waste water for agriculture (4) • Fog and rain water harvesting (4) • Determination and assessment of ecological water reservoirs, sustainable waterhole yields and environmental river flows (4) • Development and implementation of Integrated Ecosystem Management Plans (4) • Environmental Assessments (4)	Policy and legislation is not adequately harmonized to enable integrated natural resource management Communal land reform will not contribute to relieving pressure on communal lands
5. Climate change impacts in drylands	•Vulnerability due to erratic rainfall, arid country and infertile soils •Poor adaptive management and	• Improved coordination between CBD, CCC, and CCD implementation schemes (1) • Implementation of the National Drought Policy and	Poor capacity for adaptive management and livelihood diversification

	diversification capacity	Strategy (1) • Improved environmental monitoring systems for forecasting drought (2) • Promotion of appropriate farming, technology, species, diversification for arid environments (4)	

Annex 4 a : STAP Roster Technical Review

REVIEW OF PROJECT CONCEPT DOCUMENT:

Integrated Ecosystem Management in Namibia through the National Conservancy Network

REVIEWER: Dr. Philippe Chardonnet, DVM, Wildlife Manager

DATE: 31.12.2001

TERMS OF REFERENCE / BIODIVERSITY

This independent review has been commissioned by the World Bank (contact person: Christophe Crépin). The standard terms of reference for Independent Technical Review of GEF Investment Projects have been followed.

KEY ISSUES

SCIENTIFIC AND TECHNICAL SOUNDNESS OF THE PROJECT

Nowadays, the concept of "conservancy", appears to be one of the few innovative and promising avenues for conserving and managing biodiversity in Sub-Saharan Africa. The PCD reviewed is fairly grounded in this concept. As a consequence, the project makes judicious use and takes advantage of a favourable situation in Namibia, the leading country as far as this concept, particularly of the community-driven type, is concerned.

The conservancy concept was born out of the intention to satisfy a range of needs newly raised at the turn of the century:

- Rural-dwellers felt the necessity to invent new ways of making a profit out of wilderness areas for their own benefit as alternative/complementary sources of income;
- Local conservationists, trapped in the National Parks concept, often severely confronted to negative attitudes of adjacent stakeholders, could hardly promote the expansion of the National Parks network, and needed innovative approaches to conserve biodiversity outside National Parks;
- Governments of developing countries realized the difficulty of administrating huge tracts of land (in most countries of Southern Africa, protected areas often cover a 2-digit percentage of the whole surface of the country) with small financial resources and meagre expertise, in view of higher priorities such as public health, education, agriculture, without talking of security;

So far, conventional approaches did not give much opportunity to the civil society for taking and assuming a share in the global effort to conserve biodiversity. The above-mentioned needs were more and more openly expressed, especially in the Southern part of the African continent and

notably after the 1992 Rio Earth Summit. They paved the way and exerted pressure to provide the civil society with a formal role to play in biodiversity conservation.
In this regard, since it is in full accord with the International Convention on Biological Diversity (CBD), the PCD could readily quote some of the relevant articles of the CBD (Stratégie Mondiale de la Biodiversité, 1994), i.e.:

- Item VIII Action 59: "augment the ecological and social value of protected areas by (i) acquiring and zoning land tracts outside the protected areas and (ii) financial incentives for conservation on adjacent private land";
- Box 6: "…allow communities to manage their own environment. For that, the communities must obtain the rights and adequate knowledge to operate."
- Box 7: "The costs and advantages of biodiversity conservation must be shared more equitably between nations and between citizens".
- Box 8: "Integrate the management of biodiversity in the whole range of human activities: … sustain private initiatives of conserving biodiversity in the private sector…"

It must be admitted that some attempts had been made in the past to relieve part of the burden from Central Governments:

- as early as 1963, just after the independence of Kenya, decentralization had been experimented by setting up National Reserves, like Marsabit NR or Shimba Hills NR, which were managed by the "local county councils". Nevertheless they remained under the guardianship of the National Parks administration and not of the Game Department's, then in charge of wildlife outside National Parks (Leakey, 2001);
- in a similar intention, Parastatal agencies had also been created in a number of countries such as e.g. the Kenya Wildlife Service in Kenya or TANAPA in Tanzania, but the management of biodiversity outside protected areas was struggling;
- South Africa had been an exception with the successful development of commercial game ranches, however it mainly relied on white Africans rather than blacks;
- very few instances see foreign private investors sponsoring wildlife conservation, e.g. the 2.5 million ha. Nyassa Game reserve in Mozambique;
- more frequent cases involve international NGO's to support large protected areas, however (i) they mostly remain the "agents" of funding agencies and (ii) they too often simply substitute themselves in the position the civil society should have taken.

As a result of this situation, informal activities have developed by themselves within the civil society with globally meagre, insignificant or even negative results in terms of sustainability and efficiency. The time came appropriately to develop the concept of Community-Based Natural Resources Management (CBNRM). The CAMPFIRE pioneer enterprise in Zimbabwe, without a doubt, was the most significant initiative to devolve the management of wildlife on communal land to local communities. However, despite substantial and still promising results, some constraints remain within the CAMPFIRE network such as the difficulty to decentralize beyond the District level of the administration and to really transfer the appropriate authority to more grass-root levels. Recent studies have questioned the CBNRM philosophy for taking the monopoly as a single ideal and unavoidable way of managing wildlife: these recognize CBNRM as an important tool but not as a panacea (Hackel, 1999; Adams & Hulme, 2001). This brings a supplementary justification for supporting the conservancy model comprising both communal (CBNRM) and commercial schemes.

Conservancies offer a relevant opportunity for government agencies to hand-over the responsibility of managing wildlife outside State land. At this stage it is probably worth better defining the precise meaning(s) of "conservancy" which is maybe not that trivial/obvious by reading the PCD. It must be said that, even though the definition of "conservancy" is still a matter of debate, the resulting lack of precision does not preclude the development of the concept. One may focus here on the main distinction existing between "commercial conservancy" and "community conservancy":

- A commercial conservancy consists in aggregating two or more adjacent private properties in a single wildlife management unit without abandoning individual ownership of the land. In most cases, internal fences are removed while the perimeter fence is reinforced, and the classic livestock industry is replaced by wildlife-related activities. Zimbabwe is probably leading this kind of enterprise, even though other countries like Namibia are also concerned. By the way, the term "commercial" may preferably be replaced by the word "private", as community conservancies also are intending to pursue commercial goals.
- A communal conservancy consists in setting aside part or all of the land of a given community with the intention to conserve and valorise wildlife through its sustainable consumptive and non-consumptive uses within nature-related activities. Namibia is certainly leading this kind of enterprise even though other neighbouring countries have embarked in similar ventures. The dramatic development of communal conservancies which has already taken place in this country is maybe not enough emphasized in the PCD if we consider that only 4 communal conservancies were gazetted in 1988, covering an area of about 1.7 million ha. (Brown & Jones, 1998), while there were already in 1999 a total of 9 communal conservancies - 2.2 million ha. - and 13 commercial conservancies -2.1 million ha. (Ministry of Environment and Tourism, Republic of Namibia, 2000).

The PCD provides a more than useful up-date of the current conservancies' situation in Namibia. By doing so, the PCD mainly focuses on their financial viability according to the usual schemes of Northern countries. Eventually, the PCD does not take much into account non-financial benefits of CBNRM which admittedly "are less tangible, harder to measure, but from the perspectives of social development and ecosystem sustainability, can far exceed financial benefits in significance" (Ashley, 1998). These include "(i) capacity-building and empowerment, (ii) more secure livelihoods, (iii) cultural and aesthetic values of wildlife and local traditions, (iv) enhanced natural resource base and (v) political, social, economic and environmental benefits at the national level" (Brown & Jones, 1998). Despite being difficult to assess, these benefits should be taken into account in (i) the decision-making process and (ii) the M&E procedure of the project. They should also become part of the panel of indicators, which are otherwise well defined in the PCD. One particular acknowledgment: the demand-driven service to conservancies planned by the project is very relevant, while too many projects elsewhere adopt a sole and risky "product-driven" approach.

As far as the definition of conservancies is concerned, two particular situations are worth mentioning in the region of Southern Africa and may be of interest for the project:

- some game ranches claim being "conservancies" probably because of the fashionable and attractive concept, even though they cannot apply being such due to their functioning as a single-property venture, usually with little concern towards rural development;
- to the contrary, interesting experiments should claim to be truly conservancies, for joining either communal and commercial or even State land. One demonstrative example

may be the Kruger NP case where large tracts of fence have been pulled down between the National Park itself and adjacent commercial wildlife ranches, thus allowing a better ecosystem approach to wildlife management.

IDENTIFICATION OF GLOBAL ENVIRONMENTAL BENEFITS

Namibia has the originality of having a great variety of biomes in which conservancies have already been established for a few years. It also offers varied climatic conditions: insufficient and unreliable rainfall have largely maintained land-uses to activities such as hunting and gathering, pastoralism and low-density livestock ranching, and led to a relative absence of agriculture, therefore conserving large tracts of practically intact natural habitats.

Namibia is definitely a leader among African countries in terms of biodiversity conservation, not only of endangered species but in terms of sustainable utilisation of common species and products. The existing and often abundant wildlife resource precisely offers the opportunity to develop a holistic approach to conservation and sustainable development through sound innovative management schemes and the project is well designed to do so.

It may be stressed that Namibia is especially hosting (i) taxa of critical importance & (ii) issues of global relevance. To quote a few:

(ii) The human vs. wildlife conflict has been tackled for a long time in this country, with mitigated success (Stander et al., 1997), e.g. predation by the Namibian cheetah, world's largest population of the taxon, still poses problems to the livestock industry, whether commercial cattle ranches or communal pastoralists (Marker-Kraus et al., 1996); the conservancy model brings an opportunity to revisit conventional approaches towards large predators in coexistence with man.

(iii) Common in Namibia, desert & semi-desert environments have shaped drought-resistant flora & fauna through millenaries of harsh co-evolution. Exotic species such as domestic animals and crops have not gone through this natural process. With the development of adaptive sustainable-use management practices in conservancies, natural habitats can be rehabilitated and maintained and their products given added value, giving new development opportunities to rural communities.

All things considered, the project will fund the promotion of biodiversity conservation by supporting the development of the already launched and on-going process of conservancy-building. In this manner, it fits very well with the GEF goal, which is precisely to provide funding to cover incremental costs of activities in favour of biodiversity.

REGIONAL CONTEXT

The prospect of setting up a network of conservancies in Namibia, as proposed by the PCD, sounds very attractive. One could have hoped to extend the network to the already existing conservancies in neighbouring countries, i.e. Botswana, South Africa and Zimbabwe. Zimbabwe certainly is a prominent country as regards commercial conservancies and some of them have gained international recognition, as for example the first one ever created, the Save Conservancy.

The recently launched SADC *"Transboundary Natural Resource Management Areas"* program would provide the project with an appropriate framework for linking the various experiences of conservancies throughout the region (Cumming, 1999; Griffin et al., 1999). It involves five SADC countries including Namibia. Funded by USAID and implemented by the Africa-based NGO AWF (African Wildlife Foundation: head-quartered in Nairobi, outpost in SADC zone), the program intends to set up a continuum of wildlife management areas linking classic protected areas (National Parks, Wildlife Reserves, hunting concessions, etc) through corridors in open areas. The so-called Okavango/Caprivi/Chobe/Hwange TBNRM area would make a single management unit stretching from Caprivi in Namibia to Hwange NP in Zimbabwe. For those of the Namibian conservancies falling *de facto* in the regional program area, a partnership between the project and the regional program seems more than consistent.

SADC may be a partner to take into consideration, even though USAID is mentioned as one of the bilateral funding agencies. Other TBNRMA's are under study at this very moment throughout the SADC region.

REPLICABILITY OF THE PROJECT

The project development objective and the project global objective are obviously replicable. All rural communities suffer from a lack of technology transfer from one community to the other, of information concerning the new products which their land offers either for on-site value added transformation, or for local, national or even export trade. Most communities are not aware of these possibilities offered by far away markets, and lack the capacity to address them. Local management and business planning proficiency, including elementary accounting, banking opportunities, etc. are capacities which can be developed at the conservancy level, therefore enabling decisions to be taken locally, rather than being transferred to central government administrations.

The project's objectives in the real of communication must not hide the reality, which is in fact an asset, that, within one country and even more so from one African country to another, the very nature of "conservancies" covers a wide variety of concepts, covered by different laws and regulations, socio-economic conditions, natural environments, successes and failures. The project, which is aimed at implementing integrated ecosystem management through conservancy networking, can fill the ever-present lack of communication between rural people. Those people are generally not equipped with modern means of transmitting information, which in many cases, many would not be able to write or read anyway. But, what is more important yet is that people who live from the land need to see with their own eyes what is being done by others on their land and have the opportunity to ask pointed questions relating to their problems at home and make up their own opinion as to applicability of what they have seen. Reciprocal visits on site between communities are very much in demand and should be an essential tool of the networking effort.

It must be remembered also that farmers and pastoralists who have survived in marginal habitats are careful people, and that, unless they are put under external or survival pressure to degrade their land, they will take their time to adopt new avenues and techniques which will ensure sustainable utilization and development. They should be encouraged to diversify the possibilities of harvesting and giving added value to the biodiversity present on their land, in order to improve their food and economic security, as well their ecosystems' stability.

As mentioned above, the project can obviously and indeed should be replicated in all countries of the SADC Region. Furthermore, there seems to be no reason not to replicate it in some Central and Western African countries, where initiatives are already being taken in the domains of protected areas, wildlife management, sustainable forestry, etc, in some cases on a transboundary basis.

SECONDARY ISSUES

LINKAGE TO OTHER FOCAL AREAS

Namibian law and regulations is meant to define what conservancies are and what their rights and obligations are with respect of government and its agencies. These conservancies were initiated through a series of "socio-ecological surveys" in 1993. The framework, which evolved, was published in the Gazette of the Republic of Namibia in 1996 (no. 1333 & no. 1446). The conservancy policy of the government has shown to be flexible in its approach, leaving to communities decisions of how to use their income, how to agree on geographical limits with their neighbours' territory, etc. But has it fully resolved in each conservancy the crucial issue of land tenure, and has it left grazing for domestic stock on communal lands mainly with open access management systems? This situation is rightly targeted by the project, which addresses the possibility of rangeland degradation, overgrazing and possible unsustainable use of natural resources. The analysis of situations within the last five years would certainly be interesting for all stakeholders, and suggestions from the ground up worth studying and passing on to members of the conservancy network.

On another point, enterprise development aspects could possibly gain from solutions adopted in Zimbabwe. The peculiar legal status of "CAMPFIRE Company" allows local communities at any level, even the Ward or the Vidco, to set up, register and run their own enterprises.

OTHER BENEFICIAL OR DAMAGING ENVIRONMENTAL EFFECTS

Multispecies approach of conservancies allows for more stable land-use systems, ensuring biodiversity conservation on a long term basis, in comparison with the fragility of enterprises based on monospecific schemes, e.g. cattle industry.

Multiple use approach gives greater security to conservancies, which can fall back on other activities, if one of them, such as tourism for instance, is slowed due to externalities, such as international travel hazard for example. Risks can be spread over:

(i) the primary sector, such as wildlife meat and skins and other veld products,
(ii) the secondary sector, such as handicrafts, biltong, etc.
(iii) the tertiary sector such as tourism.

The project should help local communities in obtaining better terms of trade in all sectors. As a general rule, by helping conservancies to secure economic viability will also safeguard the resilience of the ecosystems.

DEGREE OF INVOLVEMENT OF STAKEHOLDERS IN THE PROJECT

Seen from a distance, the selection of NACSO as the implementing agency of the project is very sound and, to my view, is not questionable.

Question: is the Project Coordination Unit really needed since NACSO is already in place and shows the legitimacy for leading the project? Interesting recent project designs tend to subcontract each of their components to a particular operating agency like local NGO's for example, given that the implementing agency (NASCO in this case) would be supervising the whole project. Several advantages are seen in such an institutional arrangement: (i) cost saving, (ii) sharing out the burden, (iii) accountability of operating agencies, (iv) sustainability of the project once ended, since the operating agencies already in place will still be there, etc.

As a general observation, the project gives a lot of importance to the public sector (institutions). Admittedly, the amount of funds granted to the administration components is rightfully lower than the budget allocated to the conservancies components. However, it still appears comparatively too high for a project advocating to promote and network communal and private sectors.

To my view, an institutional risk lies in the temptation for the government agencies, or the obligation imposed to NACSO, boosted by the project support:

(i) to exert excessive control on conservancies, for instance invoking the "precautionary principle" to abusively restrict sustainable use of resources, while not assuming the costs of wildlife and habitat monitoring,

(ii) to require from conservancies excessive reporting obligations which appear too often in the PCD columns. To my experience, Zimbabwean commercial conservancies have been complaining for being harassed by bureaucratic enquiries, technical and economical questionnaires, etc.

To prevent such risks, more preliminary assumptions should appear in the PCD for guaranteeing the beneficiaries to be able to express themselves in the most favourable context. Being fully understood that conservancies will obviously have to strictly act within the legal context, they should however not be constrained by a project framework promoting undue interference of the public sector in the civil society (communal, associative and private). The consequences would not only be counterproductive to the project itself, they may also eventually destabilize the blooming conservancy concept. As recently shown/stated by Richard Leakey (Leakey, 2001), former World Bank funded wildlife projects in Kenya have demonstrated (i) the importance of such agreed preliminary assumptions and (ii), even more importantly, the necessity to respect them in the implementation process, otherwise not only project setbacks but even negative impacts may result.

A sound balance of support to communal and commercial conservancies will be a challenge for the project. Failing in doing so may lead to misunderstanding even dismay within the project or more globally among conservancies. Indeed, the political environment differs greatly in Zimbabwe, however it may be of interest to recall that famous Zimbabwean conservancies such as Save Conservancy have experienced land occupancy by neighbouring communities in 2000 and that squatters have started poaching wildlife (even black rhinoceroses, the highest

concentration of the country) in Bubiana conservancy, the second largest in the country, as recently as October 2001 (Zimbabwe Independent, 2001).

CAPACITY-BUILDING ASPECTS

Experiences show that decentralization to the lowest level faces a critical constraint: lack of capacity.

Proper techniques of range & wildlife management already exist in Namibia and should be fully utilized. Nevertheless, as pointed out in the PCD, some improvement may certainly be sought after. The practice of destocking and savings mechanisms in time of severe drought may be developed. It may also be appropriate to launch/develop spin-off added value small industries as complementary sources of income and employment for local development. Enterprise building, accounting, cash flow awareness, as well as marketing experience and exchanging knowledge in these domains is needed by communities, as much as increasing their competence in range and wildlife management, habitat restoration and enhancement, etc. As a particular example, communal conservancies could receive appropriate training to negotiate by themselves (i) their hunting lease with concessionaries and safari operators & (ii) their harvest quota with the administration.

In Zimbabwe, the practice has proved successful for the central administration (i.e. the Department of National Parks and Wildlife Management) to entrust skilled conservancies with the task of safekeeping particular species of national/global importance. So-called "National Game", such as rhinoceros or wild dog, are handed over by budget-strapped National Parks, under heavy poaching pressure, to intensively managed conservancies under better control. In Namibia, the project could raise awareness (and build up the relevant professionalism) as to the role of conservancies in safekeeping and care of rare or threatened species of national or global importance.

INNOVATIVENESS OF THE PROJECT

With no doubt, innovativeness is the prominent feature of the project due to its support to the conservancy model, which in itself is an invention of the turn of the century, as far as conservation of biodiversity is concerned.

Another issue is appropriate to be addressed here, i.e. the responsibility granted to civil society to assume a substantial and consistent role in wildlife conservation. Conservancies will take it upon themselves to fulfil a duty usually ascribed to the public sector. This is indeed a new venture of importance not only to Namibia, but to the international community also.

Although not stated in the PCD, the project remains in line with the CBD which is fully supportive of any relevant innovations for conserving biodiversity, e.g. Box 8 (Stratégie Mondiale de la Biodiversité, 1994):

- "adopt new policies and accounting methods to encourage the conservation and equitable utilisation of biodiversity;
- …develop innovative, decentralised and reliable means to raise and efficiently spend funds;

- sustain initiatives for conserving biodiversity in the private sector."

REFERENCES USED

Adams, W. & D. Hulme, 2001. If community conservation is the answer in Africa, what is the question? *Oryx*, Vol 35 n° 3 July 2001: 193-200.

Ashley, C., 1998. Intangible matter: non-financial dividends of CBNRM in Namibia. WWF, Living in a Finite Environment (LIFE) Programme.

Brown, C.J. & B.T.B. Jones, 1999. Common-property rangeland management in Namibia: the conservancy model in communal areas. *VIth. International Rangeland Congress Proceedings* Vol.1.

Chardonnet, Ph., 2001. Nouveaux modèles de conservation de la biodoiversité : les conservatoires ou *conservancies* en Afrique. Fondation Internationale pour la Sauvegarde de la Faune, Paris. Non publié.

Cumming, D., 1999. Study on the Development of Transboundary Natural Resource Management Areas in Southern Africa-Environmental Context: Natural Resources, Land Use and Conservation. Biodiversity Support Program, Washington, DC, USA.

Griffin, J., Cumming, D., D. Metcalfe, S., t'Sas-Rolfes, M., Singh, J., Chonguiça, E., Rowen, M. & J. Oglethorpe, 1999. Study on the Development of Transboundary Natural Resource Management Areas in Southern Africa. Biodiversity Support Program, Washington, DC, USA.

Hackel, J., 1999. Community Conservation and the Future of Africa's Wildlife. *Conservation Biology*, Vol. 13 n°4, August 1999: 726-734.

Leakey, R., 2001. Wildlife Wars. Macmillan, UK. 319p.

Marker-Kraus, L., Kraus, D., D. Barnett, D. & S. Hurlbut, 1996. Cheetah Survival on Namibian Farmlands. Cheetah Conservation Fund, Namibia. 85p.

Ministry of Environment and Tourism, Republic of Namibia, 2000. Hunting and Conservation in Namibia. In: Quick Facts, Hunting and Conservation in Southern Africa, Millennium 2000. SCI African Chapter.

Penzhorn, B.L. (ed.), 1994. The future role of conservancies in Africa? Wildlife Monograph n°1. Du Toit Game Services, Onderstepoort. 54p.

Stander, P., Jaqece//au, Nisa /ui, Tsisaba Dabe & Dam dabe, 1997. Non-consumptive utilisation of leopards: community conservation and ecotourism in practice. Proc. Of a Symp. On Lions and Leopards as Game Ranch Animals, Onderstepoort, RSA, October 1997: 50-57.

Stratégie Mondiale de la Biodiversité, 1994. Edition française publiée par le Bureau des Ressources Génétiques et le Comité français pour l'UICN. 259p.

Zimbabwe Independant, 2001. Invaders cause havoc in conservancies. Dumisi Muleya. 12-18 October, 2001. Harare, Zimbabwe: p.1

Annex 4b: Response to STAP Technical Review

The STAP Review is generally very supportive of the project rationale and particular innovative approach and design in the context of the conservancy movement of Namibia. A few issues have been rightfully highlighted and some suggestions for improvement made. They have all been now addressed in the present Project Brief. Responses to comments as well as indications of how and where improvements where made in the Brief are provided below (in italics).

Scientific and technical soundness of the project

Para. 3: *The STAP reviewer's listed additional articles of the CBD of relevance to community-based conservation and sustainable utilization have been included in the Project Brief. (See B 1a, p. 5)*

Para. 5: CBNRM has to comprise freehold and communal conservancies: *The project supports the extension of the conservancy network including freehold conservancies. First contacts between CAN (the freehold conservancy association) and NACSO have been established and the project component 2 and 3 clearly provide for paving the way of partnerships in this direction.*

Para. 6: Definition of Conservancies : *It needs to be clarified that contrary to the STAP Review comments that conservancies offer an opportunity for government agencies to hand-over responsibility of managing wildlife outside State land the Namibian communal conservancies are operating on State land. The proposed definitions of conservancies have been added to the Project Brief (See A 1, p. 3) but slightly modified with regard to the commercial conservancies. It is correct that both types of conservancies are pursuing financial and socio-economic goal. It is therefore proposed to use the term "freehold" conservancies instead of "commercial or as suggested private" ones.*

Para. 7: Non-financial benefits of CBNRM: *The suggested benefits can be found in the Project Brief under C 3 and are included in the conservancy screening tool.*

Identification of Global Environmental Benefits

Para. 3: Taxa of critical importance and issues of global relevance: *The listed examples have been included in the Brief on p.5 under B1a.*

Regional Context

Para. 2: SADC Transboundary NRM Areas: *USAID's support to the project provides for close linkages and synergies between the proposed GEF project and the SADC Transboundary Project in particular for those conservancies that will be targeted in these respective areas .*

Linkage to other focal areas

Para. 1: Land tenure in individual conservancies: *This is clearly a critical and very important issue and challenge for Namibia. The project component 1 aims to harmonize the legal and policy framework for the national CBNRM program including a focus on land tenure and land rights in Conservancies. During project preparation, a first pilot study on biodiversity conservation and land-use has been jointly implemented with the Ministry of Environment and*

Tourism and the Ministry of Lands Rehabilitation and Resettlement and further steps to concretize the recommendations are already planned.

Degree of involvement of stakeholders in the project

Para. 2: PCU really needed? *First of all the term "unit" might be misleading. In reality it means that the NACSO Secretariat (currently only 1 coordinator and half-time assistant) will be strengthened with additional staff who will concentrate and focus incremental work only on the Program management and coordination. Secondly, the PCU will not be an separate entity but will be hosted within NACSO Secretariat. In addition, the STAP reviewer recommends that each component be led by one operating agency. This is exactly what the project implementation arrangement proposes: Under NACSO leadership, each component (or even sub-component) will be led by one agency (see C4 PCD), their specific roles will be further defined at appraisal.*

Para. 3: Importance of public sector: *Obviously, there is a fine line between public and non-public sector on which the project will move forward but it needs to be understood that a) in order to achieve sustainability and the necessary legal and policy provisions including (land tenure) the government needs to be involved and strengthened (capacity building for new CBNRM Unit in MET) and b) the government funds are not sufficient to meet all demands. Also, the project component 1 provides only US$ 0.7 m (out of US$ 7.1 m) and only part of it would be to support directly the government.*

Para. 4: Reporting requirements for conservancies: *There is full agreement that conservancies should not be overloaded with excessive and difficult reporting obligations. The previous experiences in Namibia have shown that besides designing simple procedures, adequate capacity building of CBNRM support organizations leads to less administrative procedures and cost-effective, demand-driven services to conservancies.*

Para. 5: Public sector role: *The project builds on the partnership principle between the government and the non-public sector. Under NACSO's umbrella the project will support a healthy balance of supporting conservancies, CBNRM support organizations and the government*

Capacity-Building Aspects

Para. 3: Entrust skilled conservancies with task of safekeeping special species of global importance: *The project fully supports the idea of raising awareness among conservancies in this regard. Actually, during preparation, a first workshop on safekeeping rhinos within communal conservancies took place in Damaraland in November 2001 with the participation of all key stakeholders (government, NGOs, conservancy representatives, donor programs, NACSO).*

Innovativeness of this Project

Para. 3: CBD articles relative to innovations for conserving biodiversity: *The relevant articles have been added on page 5 (B1a).*

Annex 5: Namibia Communal Area Conservancy Status (November, 2001)

Rating: **1=***Conservancies with* ***ecological and financial viability*** *over short term (less than three years)* **2=***Conservancies with the potential to be viable in the medium term (three to five years)* **3=** *Conservancies with the long-term (greater than five years) potential for becoming viable or may never be financially viable, but warrant development because of nationally or internationally significant biodiversity resources found within the area. Viability rating for emerging conservancies is estimated from their date of registration. *Financial viability in Spitzkoppe Conservancy will depend on incorporation of the Spitzkoppe Joint Venture Lodge and Community Based Tourism Enterprise within the conservancy.*

See annex 3 environmental Threats (1- Habitat conversion…; 2-Land degradation…; 3-Illegal and Unsustainable harvesting…; 4- Unsustainable water use; 5-Climate change)..

Capacity building, linked to institutional viability (1) – improve resource base (2) – infrastructure (3); + minimum need; ++ medium need; +++ major need

Biodiversity values *will still be broken out to indicate actual values, such as Endemism; Economic value of species found; Species diversity; Rare/endangered species and ecological services rendered, e.g. riparian forests, mountain catchments, etc.*

Vegetation type and level of protection *will give an indication of areas that are under represented under the current PAN. Vegetation types that are covered at least 10 % under PAN, is satisfactorily protected; those covered 5-10 % under PAN, may need minimum management support under the conservancy movement (+); those covered 2-5 % under PAN, may need medium level support under the conservancy movement (++); and those covered <2 % under the PAN, may need major support under the conservancy movement (+++). <u>All these variables have to be considered in the conservancy planning tool.</u>*

Conservancy Name	Region	Date Registered	Estimated Population	Size (ha)	Biome	Vegetation type and level of protection under the Namibian Protected Area Network (PAN)	Biodiversity Value	Ecological viability	Financial viability	Main environmental threats	Specific support needed
1. Nyae Nyae	Otjozondjupa	Feb., 98	2,288	900,300	Woodland	Forest Savanna and Woodland 8%, +	Med – High	1	1	1; 3	1+++; 2+++; 3++
2. #Khoadi //Hoas	Kunene	June, 98	2,851	336,600	Savanna /Desert	Mopane Savanna 9.8%	Med – High	1	1	1; 2	1+++
3. Salambala	Caprivi	June, 98	7,135	93,000	Woodland	Forest Savanna 8%, +	High	1	1	1; 2	1+++; 2++
4. Torra	Kunene	June, 98	1,440	352,200	Desert	Semi-desert and Savanna transition <5%, ++	High	1	1	1; 2	1+++
5. Doros !Nawas	Kunene	Dec., 99	1,048	407,300	Savanna /Desert	Semi-desert and Savanna transition <5%, ++	High	1	2	2; 3	1+++; 3+

6. Kwandu	Caprivi	Dec., 99	6,041	19,000	Savanna /Desert	Forest Savanna 8%, +	Medium	2	2	1; 2; 3	1+++ ; 2++
7. Mayuni	Caprivi	Dec., 99	1,476	15,100	Woodland	Forest Savanna 8%, +	Medium	1	1	1; 2	1+++
8. Uibasen	Kunene	Dec., 99	230	28,600		Semi-desert and Savanna transition <5%, ++	Medium, cultural value very high	1	1	1; 2	1+++
9. Wuparo	Caprivi	Dec., 99	4,320	14,800	Woodland	Forest Savanna and Woodland 8%, +	Medium	2	2	1; 2; 3	1+++ ; 3+
10. Purros	Kunene	April, 00	270	356,800	Woodland	Semi-desert and Savanna transition <5%, ++	High	1	1	2	1+++
11. Ehi-ruvipuka	Kunene	Feb., 01	1,818	208,100	Semi-arid savanna	Mopane Savanna <5 %, ++	High	1	2	1; 2	1+++ ; 2+
12. Marienflus	Kunene	Feb., 01	432	303,400	Desert	Semi-desert and Savanna transition <5%, ++	High	1	2	1; 2	1+++ ; 2++
13. Oskop	Karas	Feb., 01	94	9,000	Semi-arid savanna	Karoo 1.9%, +++	Low	2	2	1; 2	1+++ ; 2++; 3++
14. Tsiseb	Erongo	Feb., 01	1,440	808,300	Desert	Semi-desert and Savanna transition <5%, ++	High	2	2	1; 2; 3	1+++ ; 2+
15. Sorris Sorris	Erongo	Oct., 01		227,724	Savanna /Desert	Semi-desert and Savanna transition <5%, ++	Medium	2	2	1; 2; 3	1+++ ; 3+
TOTALS			**30,833**	**4,080,224**							
EMERGING											
1. Sesfontein	Kunene				Desert	Semi-desert and Savanna transition <5%, ++	High	1	2	1; 2	1+++
2. Hoanib	Kunene				Desert	Semi-desert and Savanna	High	1	2	1; 2	1+++

						transition <5%, ++					
3. Omatendeka	Kunene				Savanna /Desert	Mopane Savanna 9.8%	High	1	2	1; 2	1+++
4. Mashi	Caprivi				Woodland	Forest Savanna and Woodland 8%, +	Med	2	2	1; 2; 3	1+++
5. Mutc'iku-Bwabwata	Caprivi				Woodland	Forest Savanna and Woodland 8%, +	High	1	1	1;3	1+++; 3++
6. Uukwaluudhi	Omusati				Semi-arid savanna	Mopane Savanna 9.8%	Low	2	3	1; 2; 3	1+++; 2+++; 3+++
7. Huab	Kunene				Savanna /Desert	Mopane Savanna 9.8%	High	2	3	1; 2; 3	1+++
8. Impalila	Caprivi				Woodland	Forest Savanna 8%, +	High	1	1	1; 2; 3; 5	1+++
9. Onjuva (Orupembi)	Kunene				Desert	Mopane Savanna 9.8%	High	2	2	1; 2	1+++
10. Sanitatas	Kunene				Desert	Mopane Savanna 9.8%	High	2	3	1; 2	1+++
11. Ombombo	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
12. Ozondundu	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
13.Otuzemba	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
14.Okongoro	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
15.Orupupa	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
16.Otjombande	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
17. Okorusava	Kunene				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++

Okatjan											
18. Omihana	Erongo				Savanna /Desert	Mopane Savanna 9.8%	Medium	2	3	1; 2; 3	1+++
19. N#laqna	Otjozondjupa				Woodland	Forest Savanna and Woodland 8%, +	Medium	2	3	1; 3	1+++; 2+++; 3+++
20. Okomatapati	Otjozondjupa				Woodland	Camelthorn Savanna 0%, +++	Medium	2	2	1; 2; 3	1+++; 2+; 3+
21. King Nehale	Oshik oto					Forest Savanna and Woodland 8%, +	Medium	2	2	1; 2; 3	1+++; 2+; 3+
22. Spitzkoppe	Erongo				Desert	Semi-desert and Savanna transition <5%, ++	Medium	3	3*	2; 3	1+++; 3+
23. Ondore	Kunene				Savanna /Desert	Semi-desert and Savanna transition <5%, ++	Medium	2	3	1; 2; 3	1+++
24. Okondjombo	Kunene				Savanna /Desert	Semi-desert and Savanna transition <5%, ++	Medium	2	3	1; 2; 3	1+++
25. Ruacana	Kunene				Savanna /Desert	Mopane Savanna 9.8%	High	2	2	1; 2; 3	1+++
26. Gam	Otjozondjupa				Wood land	Camelthorn Savanna 0%, +++	Medium	2	3	1; 2;3	1+++; 3+
27. Otjituuo	Otjozondjupa				Wood land	Camelthorn Savanna 0%, +++	Medium	2	3	1; 2; 3	1+++; 3+
28. Okandjatu	Otjozondjupa				Wood land	Camelthorn Savanna 0%, +++	Medium	2	3	1; 2; 3	1+++
29. Amaseb	Karas				Shrub savanna	Karoo 1.9%, +++	Medium	2	2	1; 2; 3	1+++; 2++; 3++
30. Haib	Karas				Shrub savanna	Karoo 1.9%, +++	Medium	2	2	1; 2; 3	1+++; 2++;

											3++
31. Kalk Plateau	Karas				Shrub savanna	Karoo 1.9%, +++	Medium	2	2	1; 2; 3	1+++; 2++; 3++
32. Ovitoto	Otjozondjupa				Wood land	Camelthorn Savanna 0%, +++	Low	3	3	1; 2; 3	1+++

Annex 6: NACSO members

NACSO (Namibian Association of CBNRM Support Organizations) includes a wide range of stakeholders. NACSO's constitution and its members clearly demonstrates the partnership principle between government and non-governmental organizations supporting the national CBNRM Program. The following organizations are current member of NACSO but more governmental and non-governmental entities are expected to be included in the near future:

Ministry of Environment and Tourism (MET) holds the responsibility for coordination between directorates responsible for the management of natural resources. The development of policy and legal framework, research, information dissemination, National Biodiversity Strategy and Action Plan and linking CBNRM programme to others programmes, is being mainly undertaken by Directorate of Environmental Affairs (DEA). The Department of Parks and Wildlife Management (DPWM, ex-DRM) needs to act as the main institution responsible for the CBNRM and to empower the new CBNRM Unit. The mandate of this Department includes (i) development of wildlife and protected area management and (ii) CBNRM policy framework implementation, (iii) community liaison and liaison with other NRM agencies in field, (iv) conservancy registrations, (v) training conservancies in wildlife management/monitoring, (vi) quota setting, (vii) participation in conservancy wildlife management committees, as well as (viii) game translocation, (ix) conflict resolution, and (x) international liaison. The Department of Scientific Services (DSS) of MET is responsible for the quality of management plans including the necessary scientific advice and support. The Department of Tourism (DOT) is providing tourism support to conservancies and formulating community-based tourism policy. It also produces concessions and PTO recommendations and generates tourism statistics. The forestry services to conservancies including remote sensing, community liaison and extension advise on community forestry are being provided by the Directorate of Forestry (DOF)

Integrated Rural Development and Nature Conservation (IRDNC) is involved in institution building, natural resource monitoring, development of community campsites, and supports organizational development (awareness raising and formation, financial management, community representation, personnel management) of conservancies and assists in joint venture negotiations.

Rossing Foundation (RF) provides overall training services to the CBNRM community (including NGOs, GRN and conservancy committees), and promotes crafts development and marketing. It also carries out field facilitation in its target areas.

Rural People's Institute for Social Enterprise (RISE) is delivering field level organizing support to conservancies in Southern Kunene and Erongo regions.

National Development Trust (NDT) is delivering field level organizing support to conservancies in the Southern Namibia.

Nyae Nyae Development Foundation (NNDF) provides training and capacity building to Nyae Nyae Conservancy and Farmers' Cooperative.

Namibia Community Based Tourism Association (NACOBTA) is the main institution promoting community based tourism and marketing, and provides training and capacity building on the development of Community Based Tourism Enterprises throughout Namibia.

Legal Assistance Centre (LAC) provides legal assistance and advise to the CBNRM programme, organizes education and training courses on legal issues, as well as provides advocacy and lobbying support and litigation on behalf of communities and NACSO members.

University of Namibia (UNAM-MRCC) is assisting in socio-economic surveys as commissioned by NACSO partners.

Namibia Non-Governmental Organizations Forum (**NANGOF)** acts as a link between NACSO members and the general public and promotes CBNRM within the NGO sector. It also supports policy development and information dissemination on CBNRM as well as promotes policy research.

Namibia Nature Foundation (NNF) is the principal agency providing national level support to NGOs and CBOs through grants management, fund raising, M&E on natural resource changes, socio-economic impacts, institutional and governance issues, and assists in the development and formulation project proposals.

Annex 7: List of Acronyms

AFTES	Africa Environment and Social Department
AFTQK	Africa Operational Quality and Knowledge
AIDS	Acquired Immune Deficiency Syndrome
BP	Business Policies
CANAM	Commercial Conservancy Association of Namibia
CAS	Country Assistance Strategy
CBD	Convention on Biological Diversity
CBNRM	Community Based Natural Resource Management
CBO	Community Based Organization
CCC	Convention for Climate Change
CCD	Convention to Combat Desertification
CDD	Community Driven Development
CEO	Chief Executive Officer
CITES and Flora	Convention on International Trade in Endangered Species of Wild Fauna
COP	Conference of the Parties
DEA	Directorate of Environmental Affairs
DIFD	Department for International Development
DOF	Directorate of Forestry
DOT	Directorate of Tourism
DPWM	Department of Parks and Wildlife Management
DRFN	Desert Research Foundation of Namibia
DRM	Directorate of Resource Management
DSS	Directorate of Scientific Services
EA	Environmental Assessment
EIF	Environmental Investment Fund
EIS	Environmental Information Service Unit
EMP	Environmental Management Plan
ENV	Environment Department
EU	European Union
FENATA	Federal Namibian Tourism Association
FIRM	Forum for Integrated Resource Management
GDP	Gross Domestic Product
GEF	Global Environment Facility
GP	Good Practices
GPTF	Game Products Trust Fund
GRN	Government of The Republic of Namibia
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HIV	Human Immunodeficiency Virus
IBRD	International Bank for Reconstruction and Development
ICA	Incremental Cost Analysis
IDA	International Development Assistance
IFC	International Finance Corporation
IRDNC	Integrated Rural Development and Nature Conservation
ISDS	Integrated Social and Environmental Data Sheet
LAC	Legal Assistance Centre
LEGAF	Legal Africa
LEGOP	Legal Operations

LIFE	Living in Indefinite Environment
LOAG	Legal Office Africa Group
M&E	Monitoring and Evaluation
MA&D	Market Analysis and Development
MAWRD	Ministry of Agriculture, Water and Rural Development
MET	Ministry of Environment and Tourism
MFMR	Ministry of Fisheries and Marine Resources
MLRR	Ministry of Lands, Resettlement and Rehabilitation
MRLGH	Ministry of Regional, Local Government and Housing
N/A	Not Applicable
NACOBTA	Namibia Community based Tourism Association
NACSO	Namibian Association of CBNRM Support Organizations
NANGOF	Namibia Non-Governmental Organizations Forum
NAPCOD	Namibian Programme to Combat Desertification
NBP	National Biodiversity Programme
NDP	Namibia Development Plan
NDT	National Development Trust
NEPRU	Namibian Economic Policy Research Unit
NGO	Non Governmental Organisation
NNDF	Nyae Nyae Development Foundation
NNF	Namibia Nature Foundation
NPC	National Planning Commission
NR	Natural Resources
NRM	Natural Resource Management
OD	Operational Directive
OP	Operational Programme
PCU	Project Coordination Unit
PDF	Project Development Fund
PID	Project Information Document
PTO	Permission To Occupy
RCSA	Regional Centre for Southern Africa
RDCC	Regional Development Coordination Committee
RDV	Rural Development Department
RF	Rossing Foundation
RISE	Rural People's Institute for Social Enterprise
RNRMP	Regional Natural Resource Management Project
RVP	Regional Vice Presidency
SADC	Southern Africa Development Conference
SARDEP	Sustainable Animal and Range Development Programme
SIDA	Swedish International Development Authority
STAP	Scientific and Technical Advisory Panel
SWOT	Strengths, Weaknesses, Opportunities and Threats
TBD	To be decided
TOT	Training of Trainers
UNAM	University of Namibia
UNEP	United Nations Environment Programme
USAID	United States Agency for International Development
WB	The World Bank
WILD	The Wildlife Integration in Livelihood Development
WWF	World Wildlife Fund