

IMPLEMENTATION COMPLETION MEMORANDUM (ICM)

OTAL: \$ 2 068 000

A. BASIC TRUST FUND INFORMATION

TF Name: South Africa - Richtersveld Community Biodiversity Conservation Project, GEF Trust Fund
TF Number: TF052860 (P064442)
Task Team Leader Name/TF Managing Unit: Jean-Christophe Carret
TF Amount: USD\$2,068,000 (GEF USD\$902,000)
Recipient of TF funds: Richtersveld Company for Sustainable Development, South Africa
Type of TF: GEF Free Standing (GEF-MSP)
Single/Multi Donor: Multi Donor
Donor(s) Name(s): Multi Donor Trust Fund
TF Program Source Code: NA
Purpose of TF: GEF MSP / Advisory Activities-Recipient
TF Approval/IBTF Clearance Date: 02/09/2004
TF Activation Date: 02/09/2004
TF Closing Date(s): 03/31/2009
Date of ICM Submission to TFO:
Cost and Financing Table:
Total Costs US\$ 2,474,000
PDF Block A (GEF) US\$ 25,000
GEF Contribution US\$ 877,000
Co-Funding US\$ 1,572,000

TION ON INSTITUTION SUBMITTING

B. TRUST FUND DEVELOPMENT OBJECTIVES AND DESIGN

1. Original (and Revised) Trust Fund Development Objectives

Overall Goal: To protect globally significant biodiversity (a portion of the Succulent Karoo biome) in the Richtersveld, South Africa.

Objective: To put in place a strong system of community-based biodiversity conservation in partnership with key stakeholders to protect globally significant biodiversity.

2. Original (and Revised) Trust Fund Activities/Components

- (i) Conservation planning framework and environmental planning and development system;

- (ii) Support to the establishment of the proposed conservancy and network of conservation areas revised to establish and invest in protected areas and community-based biodiversity conservation;
- (iii) New livelihoods based on eco-tourism and biodiversity based opportunities;
- (iv) Environmental awareness raising and education;
- (v) Biodiversity monitoring and community-based rapid response system; and
- (vi) Project management support.

3. Outcome Indicators

The following outcome indicators were derived from the project components:

- (i) Integrate biodiversity considerations into local development planning;
- (ii) Support development of biodiversity based business;
- (iii) Promote environmental awareness;
- (iv) Develop a monitoring system; and
- (v) Establish a project management unit.

4. Other Significant Changes in Trust Fund Design

Only component two: Support to the establishment of the proposed communal conservancy and network of conservation areas revised to establish and invest in protected areas and community-based biodiversity conservation has been slightly changed in design and scope as required by the Biodiversity Act of 2004 which clarifies all different types of conservation areas into different categories. In addition, the Act provides the legal framework for establishing the different categories of protected areas and clarifies who the responsible authority should be. The category 'Communal Conservancy' is not recognized by the Act. The project therefore supported the nomination of a World Heritage Site as an acknowledged category in the Act. The nomination has been successful and the Richtersveld Cultural and Botanical Landscape has been included in UNESCO's World Heritage List in October 2007. The new declared World Heritage Site has full legal protection. All other activities designed under component 2 have been maintained and the same is true for component 1, 3, 4 and 5.

C. OUTCOME

1. Relevance of TF Objectives, Design and Implementation

The TF objectives are relevant in terms of: (i) trans-boundary initiatives with Namibia (Ais-Ais, Fish River Canon and Richtersveld NP); (ii) the National Biodiversity Strategy and Action Plan (NBSAP), provincial and regional initiatives such as SKEP; and (iii) the municipal Integrated Development Plan. These linkages are still valid as the Richtersveld community is the key stakeholder of the WHS. The legacy of the area is very much linked to the aim to protect the globally significant biodiversity. The people of the Richtersveld initially approached the Land Claims Court for an order restoring their ancestral lands under the Restitution of Land Rights Act of 1994. The legislative criteria for restitution, in particular the combination of requirements of the Restitution Act of 1994 that dispossession of land rights had to have been the result of racial discrimination and that it had to occur after 1913 in order to attract a restitution award, eventually led the Land Claims Court (LCC Decision) to fight against the claim. The Supreme Court of Appeal reversed this decision, holding that the Richtersveld community held a 'customary law interest' in the land, which survived annexation. These judicial difficulties led to the involvement of the Constitutional Court and consequently to a decade-long legal battle which has just recently been settled and confirmed by the Land Claims Court. The link between the 'communal' and 'indigenous' nature of the claim and the determination of the quality of dispossessed rights for purposes of restitution effected the legal status of the Richtersveld in which the project activities had to be carried out.

While design, except for component 2 activities (Community work programs and co-financing of identified activities) can be regarded as appropriate and relevant to current regional and country priorities and the Bank's sector strategy, project implementation was inappropriate (see for example E 1 and 2).

It should be noted that only very limited co-financing (according to Project Brief US\$1,572,000) could be realized and from the initial matching donors only CI and the municipality itself contributed accordingly.

2. Achievement of TF Development Objective

Component 1: Conservation planning framework and planning and development system.

Rating: Moderately Satisfactory. Planned output: Systematic conservation assessment with recommendations for land use management available. Actual output: Studies and plans with relevant tools are available to the community and all key stakeholders.

Component 2: Establish and invest in protected areas and community-based biodiversity conservation. Rating: Unsatisfactory. Planned output: Community work programs and co-financing of identified activities. Actual output: WHS established but no tangible output in terms of investments.

Component 3: New livelihoods based on nature based businesses and eco-tourism opportunities. Rating: Unsatisfactory. Planned output: Identification and establishment of 2 to 3 conservation-based business projects. Actual output: Only a feasibility study on conservation-based business and a marketing plan are available but nothing tangible has been implemented.

Component 4: Environmental awareness raising. Rating: Unsatisfactory. Planned output: Awareness campaign and co-financing the establishment of environmental education centre. Actual output: Available is only a study for the rehabilitation of four local as environmental awareness centers but nothing tangible has been implemented.

Component 5: Biodiversity monitoring and community rapid response system. Rating: Moderately unsatisfactory. Planned output: Monitoring system in place. Actual output: A monitoring system has been developed and some related training has been carried out. However, it was also planned to procure equipment but this has not been done.

3. Efficiency

Institutional capacity of the implementing agency has been very weak and the project had severe difficulties to attract and retain skilled project office staff and consultants. In the last 12 months RCSD had no other choice but to engage two local graduates who have been trained and recommended for this task by the Senior Expert Service (SES). The two young residents have been granted an internship by the project. Project implementation process has therefore been proving very difficult and required close support by the Bank.

4. Development Impacts, including those that are Unintended/Unrelated to TF Objectives

As outlined under B 4., the project supported the nomination of a World Heritage Site as an acknowledged category in the Act and the Richtersveld Cultural and Botanical

Landscape has been successfully included to UNESCO's World Heritage List in October 2007.

5. Overall TF Outcome

Overall outcome rating is Unsatisfactory given the limited achievement and status of planned outputs for reasons previously outlined i.e. limited community commitment due to restricted mandate.

D. Risk to Development Outcome

1. Follow-On Results and/or Investment Activities

Identify and provide a description of the role played by this TF that led to those follow-up activities or investments checked below. (Check all that are applicable): None

Activity/Investment:

Recipient/Other Investment; Grant Project/Program; Bank Project;
 IFC Financial Project/Activity

2. Replicability

During the lifetime of the project the recipient was not able to put adequate project coordination in place and required intensive Bank support. Project progress was limited and only 51.7 % of the grant has been disbursed by the project. The project implementation process therefore proved to be extremely slow. It seems obvious that such small scale community driven development project is better left to NGO's or specialist bilateral development agencies with on the ground presence as the Bank's transaction costs are simply too high in this kind of operation.

3. Overall Risk to Development Outcome

Sustainability of project achievements after closing date is at risk due to local capacity constrains and the fact that the precise arrangements to manage the WHS are still ongoing. The likelihood that the outcomes after completion of Trust Fund activities can be sustained is therefore quite limited and must be rated as Negligible to Low.

E. PERFORMANCE

1. Bank

While the institutional capacity of the implementing agency must be regarded as very weak the Bank only tried to address the identified impediments during the last 24 months before project closure (May 31, 2009). Consequently, the project could only procure only some critical studies and trainings. The project received during this period the necessary

prior review support for all contracts to streamline implementation. Bank performance can therefore only be rated as Moderately Satisfactory.

2. Recipient (for Recipient-executed TFs only)

The project has not achieved its Development Objectives (DO) by closing date (May 31, 2009) and must consequently be rated as Unsatisfactory. Achievements of the DO delayed substantially. The project has been granted two extensions with a total of 30 months. Fundamental issues behind this unsatisfactory rating relate to: (i) lack of suitable institutional capacity of the implementation agency, the Richtersveld Sustainable Development Company (RCSD); and (ii) unresolved legal issues in terms of formal management transfer for the World Heritage Site to the community by the provincial government.

(i) Institutional Capacity: Due to the remote location of the World Heritage Site and the project office the project faced severe difficulties in hiring and retaining skilled project office staff including consultants over the last years.

(ii) Pending Legal Issues: Legal aspects in terms of land ownership of the Richtersveld were unresolved during the life of the project. The people of the Richtersveld initially approached the Land Claims Court for an order restoring their ancestral lands under the Restitution of Land Rights Act of 1994. The legislative criteria for restitution, in particular the combination of requirements of the Restitution Act of 1994 stating that dispossession of land rights had to have been the result of racial discrimination and that it had to occur after 1913 in order to attract a restitution award, eventually led the Land Claims Court (LCC Decision) to find against the claim. The Supreme Court of Appeal reversed this decision, holding that the Richtersveld community held a 'customary law interest' in the land, which survived annexation. These and other judicial difficulties led to the involvement of the Constitutional Court, and consequently to a decade-long legal battle, which could only be settled and confirmed by the Land Claims Court in October 2007. Another legal process, the proclamation of the Richtersveld Cultural and Botanical Landscape World Heritage Site (in December 2007) and the declaration of the Executive Council for Sports, Arts and Culture as the management authority for the World Heritage Site (in July 2008) delayed the project further. Delegation of powers towards the communal Richtersveld Cultural and Botanical Landscape Association (Section 21 Company) was done only in December 2008 while the precise arrange to manage the Site according to UNESCO's requirements is still an ongoing process.

In addition to the above, the project made ineligible expenditures/ineligible use of projects funds after the closing date. The Bank's and National Treasury's request demanding the full reimbursement to IBRD has not generated a satisfactory response and the Bank might need to pursue with legal actions as, all outstanding designated accounts have been refunded so that designated accounts can be further used in South Africa.

F. LESSONS LEARNED / RECOMMENDATIONS

The project is situated in the Northern Cape of South Africa towards the border of Namibia and is now an acknowledged World Heritage Site (WHS) forming part of a trans-frontier conservation area under development. The extensive low density semi-desert area contains some of the world most important dessert biodiversity (succulents).

In terms of scope, institutional responsibilities, and management of implementation the following should have been done differently for a better results:

(i) Initiating a project where legal aspects in terms of land ownership remain unresolved during a good part of the life of the project is a serious constrain and should be avoided, and

(ii) The obvious lack of suitable institutional capacity of the implementation agency required close support by the task team but Bank's transaction cost are simply too high for such kind of operation.

Recommendation: Under the condition that the Government can finalize the process of handing-over WHS management to the local community an NGO's or a bilateral development agency with on the ground presence is needed to follow up with appropriate support. Private-sector involvement, i.e. in nature-based tourism, could as well assist in skills development and in the urgently needed diversification of local income generation.

G. ICM PROCESSING AND COMMENTS

1. Preparation

TTL at Approval: Christoph Warner

TTL at Closing: Jean-Christophe Carret

Comment of TTL at Closing:

The project has unfortunately yielded only very few tangible results, most particularly in the context with the conservation planning framework and development system for the WHS (component 2). Studies and plans with relevant tools are now available to the community and all key stakeholder for appropriate WHS management but capacity constrains and community commitment due to their current restricted mandate are the limiting factors. Sustainability of the project's achievement is therefore at risk. It is noteworthy that the project has been granted two extensions with a total of 30 months during which the project received the necessary support for all procurement activities which greatly contributed to the albeit limited project's achievements (disbursement prior FY2008 was only 17 percent).

Prepared by (if other than TTL): Karsten Feuerriegel

Date Submitted to Approving Manager: November 30, 2009

2. Approval

Manager:

Date Approved by Manager:

Manager's Comment:

3. TFO Evaluation of ICM Quality

TFO Reviewer:

TFO Rating on the Quality of ICM (Satisfactory or Unsatisfactory):

Comment and Justification for Rating Given by TFO: