

CEPF FINAL PROJECT COMPLETION REPORT

Organization Legal Name:	Conservation International
Project Title:	Consolidating Implementation of Conservation Action in CEPF SKEP Priorities in the Namakwa District
Date of Report:	28 February 2013
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CEPF Region: Succulent Karoo

Strategic Direction: 7. Consolidation

Grant Amount: \$350,000

Project Dates: 1 Jan, 2010 to 31 Dec, 2012

Implementation Partners for this Project (please explain the level of involvement for each partner):

This project was a full partnership project under the banner of the Succulent Karoo Ecosystem Partnership (SKEP) coordinated by SANBI. As such, CSA collaborated and shared lessons with all consolidation partners (Leslie Hill Succulent Karoo Trust, Cape Nature, and SANBI) to ensure the consolidation of gains made in Phase 1 of CEPF investment. As part of the project, CSA also participated and supported the activities of the Namaqualand Biodiversity Advisory Forum to ensure coordination with the government stakeholders. In terms of implementation, CSA specifically partnered with the following:

Department of Environment and Nature Conservation (DENC—formerly DTEC at time of proposal writing) - Implement the biodiversity stewardship programme (stakeholder engagement, drafting agreements, provision of incentive trainings, etc.) in the priority areas in Namaqualand

Nurture Restore Initiative (NRI)- Developing, interpreting, and actively integrating ecological advice into project development and mining engagement support.

Kamiesberg Municipality- Land owner of Kamiesberg Commonage and partner in the Three Peaks Conservancy development

Development Bank Of Southern Africa (DBSA), Citigroup Foundation, and the Ford Foundation- Partnership to promote sustainable financing for conservation and development of SKEPPIES

DeBeers South Africa-Initially engaged in the creation of a model land-use closure plan for the Namaqualand coast. Provided R1,000,000 for the development of the model and although the ultimate decision was to not pursue the model, other companies have expressed interest in the model and we continue to use our experience with this partner to inform better policy and practice by the mining sector.

Conservation Impacts

Please explain/describe how your project has contributed to the implementation of the CEPF ecosystem profile.

Please summarize the overall results/impact of your project.

Planned Long-term Impacts - 3+ years (as stated in the approved proposal):

* Improved management on 1,000 000 ha of production lands secured in contractual agreements that commit landowners in farming, mining, and energy production to biodiversity best practices on their lands.

*100,000 hectares of key biodiversity areas are conserved in contractual stewardship agreements with an effective and efficient Northern Cape Provincial Conservation Agency (DTEC) and recognised as formal protected areas applying the SA Biodiversity Act of 2005 and the Protected Areas Act of 2003.

*The SKEPPIES fund has supported over 150 civil society entities to actively contribute to and derive socio-economic benefits from enterprise activities that conserve biodiversity.

*The Northern Cape Dept of Tourism, Environment and Conservation (DTEC) Partnerships Division is expanding and supporting ongoing implementation of contractual stewardship agreements in the Namkwa District through the appointment and appropriate budgeting for a Western Region Stewardship Manager.

Actual Progress Toward Long-term Impacts at Completion:

Since the inception of the CEPF investment contractual agreements has been signed with 36 communal and 5 private farmers in the Kamiesberg Municipal area. The stewardship contracts with these farmers on an annual basis led to the official signing of the Three Peaks Conservation Conservancy in June 2012 which is 24 000 hectares. Meetings have been held with newly appointed Kamiesberg Municipal Manager to brief on Conservancy history and plans which include the establishment of a formal protected area that are applying the SA Biodiversity Act of 2005 and the Protected Areas Act of 2003. Our long-term goal is to establish this conservancy for which donations or other support can be generated throughout the province, as well as in national government, to uplift and empower the Kamiesberg community. The establishment of this conservancy area will help to roll out the municipal grazing regulations which will lead to a better management of stock, soil erosion and other farming queries in the commonage and private lands. Through our partnerships with the NRI farm management plans and farm maps has been developed for all individual farmers who has signed a stewardship agreement and these will be used with the final commonage management plans. Through our engagements with the Leliefontein farmers CSA has entered into a new area and negotiations has started with farmers for stewardship agreements that are based on the lessons we have learn. These agreements will have a strong focus on the development of a restoration protocol for upland rangeland restoration and will directly contribute to our ecosystem-based adaptation and conservation as a land-use. CSA is now using this experience to amplify the model to other commonage areas in Namaqualand and in the Eastern Cape Commonage in the Maputaland-Pondoland-Albany Hotspot.

The DTEC (now DENC) stewardship program was established as a sub program within the protected area management program. The Western Region stewardship manager that was appointed through the financial support of CEPF was successfully transitioned from CSA to DENC in June 2012 and is working close with CSA and the Kamiesberg Municipality to formally register the Three Peaks as a protected area (which will ideally

protect it from new rare mineral mining for which prospecting is now occurring in the greater region. The Manager is now also working to formalize an additional 5,300 ha area in the Hantam. While this is a far cry from the long-term goal articulated in the proposal, experience in the Western Cape Province (albeit a far wealthier municipality) showed that getting adoption of new stewardship areas formally registered can take a decade. That being said, with the new capacity, Northern Cape was able to contribute to a draft biodiversity stewardship “business case” to negotiate for operational and capital funding from National and Provincial Revenue funds to ensure a budget for stewardship. DENC have also had positive negotiations with the Leslie Hill Succulent Karoo Trust for contributing towards the stewardship programme in the Northern Cape which is the result of having in-house staff capacity ready to implement.

The SKEPPIES fund after proper review sessions has developed a new 5 year strategy and signed an MOU with the DBSA with the aims to build partnerships and exploring options and management structures that can provide long term funding which address grassroots conservation and rural development needs within the South African Hotspot Environments. During 2010 and 2011, our organization received support from Citi Foundation under the Micro-enterprise Development Programme to build the capacity of 6-10 businesses within the SKEPPIES portfolio. The support through the Citi Foundation has been stable and we were invited to submit a new proposal for the 2013/14 financial year. SKEPPIES also participated in COP 17 which was a huge success. SKEPPIES was involved and eagerly engaged with other partners and possible donors. The COP 17 event also saw the launch of the newly designed SKEPPIES logo and subsequent advertising and marketing equipment and material. These materials are now complemented by a series of videos on the projects that continue to build financial sustainability for the SKEPPIES Fund (co-financed by CSA) which are available on www.conservation.org/southafrica.

Finally, with support from CEPF, CSA developed a significant engagement with DeBeers Mining Company to create a world-class mining restoration model, the Living Edge of Africa Project. Despite the fact that CSA gained support from both government, partners and civil society for the LEAP developments, De Beers Consolidated Mines, decided to not close down the Namaqua Mines but to sell it to the Mining Company, Transhex. Their letter informing us of this decision which came from new leadership put in place after the economic crash of 2008, however, indicates that new understanding of the importance of biodiversity custodianship and proactive planning for closure was achieved. (attached)

Our concerns with the selling of the mine was around meaningful engagement with key stakeholders in the process specific around the environmental and social aspects. CSA undertook a review of the Environmental Management Plan and based on serious inadequacies asked the Minister of Mineral Resources for an independent audit of the financial provisions in the draft revised environmental management plan, detailed information on Trans Hex’s ability to comply with rehabilitation obligations, as well as an opportunity to comment. A final response from the Minister has not been made available and CSA are working with the Centre for Environmental Rights to ensure that our concerns are addressed. This is obviously hugely disappointing as this is significant area (40,000 ha) we had hoped to have under conservation agreement in a production landscape. The expertise gained by the team and the land-use plan of LEAP still exist and once there is clarity regarding who will be responsible for closure going forward, we will engage with that company with the same goal. It should also be noted that the plan

was presented to NamDeb as a potential model for the Sperrgebiet (1,000,000 ha of Succulent Karoo) and received positive feedback despite the conflict with their South African counterpart.

Planned Short-term Impacts - 1 to 3 years (as stated in the approved proposal):

*Improved management on 80,000 ha of production lands is secured through contractual agreements that commit landowners in mining, energy production, and farming sectors to biodiversity best practices on their lands.

*25,000 hectares of key biodiversity areas are conserved in contractual stewardship agreements with the Northern Cape Provincial Conservation Agency (DTEC) ,

*The SKEPPIES Fund is strengthened and formally established to better support communities to derive socio-economic benefits from the conservation and sustainable use of biodiversity.

Actual Progress toward Short-term Impacts at Completion:

As these short-term impact goals were milestones in the process of the long-term goals, the actual progress towards these is described above. In summary:

- Sadly, no formal contracts were secured in the mining, energy production, or farming sector beyond the Three-Peaks Conservancy Area. However, farm management plans and a reduction of pressure on predator populations from trapping and hunting was achieved. Additionally, the tremendous experience gained in engagement with mining and wind energy developers in the region, however, gave CSA a foundation of knowledge to develop a specific guideline for wind developers on biodiversity in South Africa's hotspots (also see www.conservation.org/south africa) as well as to effectively engage in responding to mining threats in Namaqualand and beyond.
- The 24,000 ha of the Three Peaks Conservancy is in the process of formal registration with DENC (formerly DTEC) and we also hope this will prevent mining in this key biodiversity area.
- Finally, the consolidation support provided by CEPF to SKEPPIES has attracted new co-financiers to this effort. A full review of projects and their status was completed and a new database and training materials were developed based on this assessment. This consolidation continues and again, the model established is something CSA is seeking to amplify in the Succulent Karoo and implement in MPAH.

Describe the success or challenges of the project toward achieving its short-term and long-term impact objectives.

The successes and challenges are described above and in the detail below. While progress was made on relationships related to sustainable red meat production that now can be amplified with both market and government funding (CSA has recently been appointed to develop a National Standard for Sustainable Red Meat Production), challenges with economic interests of wind and mining companies and biodiversity issues were larger than this project could resolve. Both companies CSA was engaged with decided to sell mid way through the project, leaving our efforts in limbo and a lesson learned on how fragile initiatives can be in corporate conservation engagements as they often are dependent on personal relationships that can shift when a new "project owner" comes is. However, the outputs of the ambitious consolidation programme are being

used to provide ongoing support to Succulent Karoo biodiversity conservation as well as conservation efforts on mining, energy, and agricultural lands elsewhere in SA's biodiversity hotspots.

Were there any unexpected impacts (positive or negative)?

CEPF's support for CSAs set of consolidation activities further established the organization as a trusted advisor to government, business, and communities in the Namaqualand region. While final formalization of "official" protection is still being held up by various bureaucratic and resource constraints of partners, improved understanding of the importance of "ecological" as well as "built" infrastructure for the region's economy is evident both amongst decision-makers and the general public. The short videos of BRI members and SKEPPIES business owners demonstrates the progress in efforts to achieve the SKEP 20-year vision of people taking ownership for biodiversity on their land will certainly help CSAs efforts to amplify the CEPF-catalysed initiative. Government and mining companies regularly seek advice from CSA and we are now partners for biodiversity considerations in economic development—a true consolidation achievement.

Project Components

Project Components: *Please report on results by project component. Reporting should reference specific products/deliverables from the approved project design and other relevant information.*

Component 1 Planned:

Local economic development activities in the Namakwa District support biodiversity conservation and healthy ecosystems in the production matrix through consolidating formalized commitments in contractual agreements to management plans and production best practice guidelines on at least 80,000 ha and improving mentorship to civil society groups newly embarking on conservation projects.

Component 1 Actual at Completion:

In the agricultural production landscape, CEPF supported the consolidation activities of developing a contractual-based incentive provision for improved farming practices in the Three Peaks Area. This created an important model and although it is now moving even further up the potential protection status with DENC (see output 2) conservation agriculture practices will still be an important part of the management of the area for biodiversity. The farming group, who call themselves the Biodiversity and Red Meat Association are in the process of becoming a cooperative and the registration process are 90% completed. Agreements based on the Conservation Stewardship Programme were signed with both private and communal farmers within the Three Peak Conservation area. Currently we have 36 communal and 5 private farmers who implement biodiversity and conservation actions on 24,980 hectares. The CEPF investment contributed towards the management plans and maps of individual farmers that are an addendum of the Municipal Commonage plan for the Kamiesberg area. Further to this investment the farmers involved in the programme also benefit from various capacity building initiatives such as ecology training, wetland health and monitoring, rangeland management, etc. The stewardship model has been tested for more than 4 years and we have used the lessons learned to engage in a new area within the Namakwa District- Namakhoi Municipality to sign up stewardship contracts in an area covering more than 600 000 hectares.

Significant effort and foundation have been laid for conservation management and set asides in both 40,000 ha of diamond mining areas and a 2,300 ha wind farm in the threatened key biodiversity area coastal ecosystems of Namaqualand. With the support of CSA the Third Planet Enterprise Wind Energy Developer signed a 25 year lease agreement and rezoning of land use for the establishment of a wind energy farm in the Richtersveld Municipality. Although this development is now in transition to a new owner, CSA has also been approached by two other wind farm companies who have expressed interest in applying CCBS/Gold standards for their applications in the Namaqua District. We have recently facilitated a process where a renewable energy spatial toolkit has been developed for the Namakwa District Municipality which will enable them to do proper planning in terms of allocating sites for such projects. (Attached Renewable Energy Spatial Tool). As per this evidence, CSA will continue to look for opportunities to get our land recommended land management plans integrated into corporate implementation in these areas in the future.

Component 2 Planned:

The capacity of DTEC's Stewardship Programme is built and institutional systems established or improved to enable the finalization of formal stewardship contracts under negotiation by CI and DTEC facilitators for approximately 25,000 ha by December 2012.

Component 2 Actual at Completion:

The DENC stewardship program established as a sub program within the Departments protected area management program. Through the Northern Cape Stewardship forum a pro forma was developed to register voluntary conservation sites within the Department of Environment and Nature Conservation (DENC). Through engagement with the national Technical Working Group meeting this forum were also able to align proclamation of Contract Nature Reserves but also to discuss solutions to challenges within this process but important, share successes. Four applications are in the process of proclamation.

Because of the low budget priority for the stewardship sub program various approaches are in different stages of development to address this constraint. The Department is looking at aligning the overall annual performance plan with the Outcome 10 Agreement to motivate to National Treasury for an increased budget. With the support from the National Department of Environment (DEA) a draft biodiversity stewardship business Case was developed to negotiate for operational and capital funding from National and Provincial Revenue funds to ensure a budget for stewardship. DENC's engagement with WWF provides opportunity to benefit from the Leslie Hill Succulent Karoo Trust. The department is also exploring the possibilities of establishing a trading entity for the Provincial Nature reserves to ensure that income generated through tourism and game sold annually will remain for maintenance of proclaimed reserves. In the past these income disappeared in the general state bank account. Lastly through the SKEP consolidation DENC serves on the Land Reform Biodiversity Stewardship reference group coordinated by SANBI and the Department of Land reform and Rural Development. This forum allows for coordination and the facilitation of support to deliver socio-economic and biodiversity benefits for stewardship project sites. Incentives for biodiversity stewardship remains a challenge for both CSA and DENC to sustain especially the work CSA has invested into in the Kamiesberg and Steinkopf area. This can be achieved through the above collaboration and will allow for up-scaling.

Finally, DENC is now working on registering the 24,980 ha Three Peaks Conservancy. In June 2012 the official signing ceremony took place for the signing of the Three Peaks Voluntary Conservancy. Discussions with all role-players the Kamiesberg Municipality(Land owner), Department of Environment and Nature Conservation and CSA has begun to process the establishment of the Three peaks Conservancy into a formal protected area.

Component 3 Planned:

Financing vehicle of SKEPPIES is strengthened and formally established as a Trust.

Component 3 Actual at Completion:

SKEPPIES with our partner the DBSA had a strategic review in November 2010. The new 5 year strategy document has been developed.(See Attachment). Additional to the funding for new projects, CSA has succeeded in raising funding for the ongoing support and monitoring of existing SKEPPIES projects. The current focus of SKEPPIES is on the current active projects focusing on monitoring and business support. The current data base of SKEPPIES has been updated for better monitoring and evaluation.

As mentioned in the last progress report we are in a process of developing a Greenpreneur model for implementation during the 2013/14 financial year. We aim to involve new funding partners for this year and to fund a minimum of 6 new small enterprises per annum.

Component 4 Planned:

Effective linkages are made to support the SANBI Learning Network and WWF-Leslie Hill Trust consolidation projects

Component 4 Actual at Completion:

CSA, DENC, LHSKT, Cape Nature and SANBI continue to build on an effective partnership strategy to focus on the development of economic incentives that are potentially capable of correcting market failures in biodiversity conservation. CSA participated in consolidation grant team meetings and both benefited from and contributed to effective learning and collaboration opportunities. For example a Love our Veld campaign was held in 2012 with the support from LHSKT and various private and government institutions. The campaign was an awareness raising effort based on the principles of showing enthusiastic attitude towards nature and to understand and maintain healthy ecosystems. The campaign had a strong focus on information sharing and it was decided that a similar event will be held each year similar with environmental days and that it will be driven by local communities with our support. CSA supported the 10 year SKEP celebration hosted by SANBI and continue to provide input and commitment to being the long-term link between conservation initiatives in the northern Namqualand area and SANBI's bioregional programme unit.

Were any components unrealized? If so, how has this affected the overall impact of the project?

Significant consolidation on each component was achieved and the foundation established from which CSA will continue to work. The relationship breakdown with the mining company has been a HUGE learning and not good for stewardship efforts with mining companies in the area as their remains no model of how it can make business sense. But, as stated elsewhere, the effort was not wasted and has given a regional NGO huge expertise in what it would mean to be a biodiversity-friendly mining company.

Please describe and submit (electronically if possible) any tools, products, or methodologies that resulted from this project or contributed to the results.

1. MOU between SKEPPIES AND DBSA
2. SKEPPIES 5 year strategy
3. Final Comments from CSA and Benchmark re De Beers
4. Spatial Renewable Energy Toolkit

Lessons Learned

Describe any lessons learned during the design and implementation of the project, as well as any related to organizational development and capacity building. Consider lessons that would inform projects designed or implemented by your organization or others, as well as lessons that might be considered by the global conservation community.

Project Design Process: (aspects of the project design that contributed to its success/shortcomings)

- Be ambitious but understand that changing mindsets and building institutional capacity takes time. So understand what are realistic goals and aim for the long term.
- Partnerships played a key role in the success and adaption to the project implementation. The consolidation project ensured a solid foundation for strengthening existing and new partnership relations.
- Government processes and leadership within still needs serious attention and capacity.
- Proper and solid communication strategy played a huge role in getting the message out and ensuring participation in the project duration.
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Project Implementation: (aspects of the project execution that contributed to its success/shortcomings)

- Secure commitment in writing to a project from a mining company before spending significant effort.
- Through this implementation great opportunities presented in the form of additional and creative ways of addressing biodiversity conservation. This implementation phase also created opportunities for networking amongst different community projects and support to strengthen a common goal.

Other lessons learned relevant to conservation community:

The project design and implementation requires extensive work and building of relations with everyone especially the beneficiaries who will implement and partners who provide support. In order to do this right we need sufficient resources and commitments.

Additional Funding

Provide details of any additional funding that supported this project and any funding secured for the project, organization, or the region, as a result of the CEPF investment in this project.

Donor	Type of Funding*	Amount	Notes
Citigroup		\$270,000.00	2010-2012
CI	In-Kind		
Conservation Stewardship Program		\$229,516.00	2010-2012
De Beers		\$70,000.00	2010-2011
Ford Foundation		\$134,000.00	2010-2012
Vogelheim Family Foundation		\$291,500.00	2010-2013

***Additional funding should be reported using the following categories:**

- A** *Project co-financing (Other donors or your organization contribute to the direct costs of this project)*
- B** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF funded project.)*
- C** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Sustainability/Replicability

Summarize the success or challenge in achieving planned sustainability or replicability of project components or results.

Summarize any unplanned sustainability or replicability achieved.

Safeguard Policy Assessment

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project

Additional Comments/Recommendations

Information Sharing and CEPF Policy

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned, and results. Final project completion reports are made available on our Web site, www.cepf.net, and publicized in our newsletter and other communications.

Please include your full contact details below:

Name: Ronald Newman
Organization name: Conservation South Africa
Mailing address: rnewman@conservation.org
Tel:
Fax:
E-mail:

*****If your grant has an end date other than JUNE 30, please complete the tables on the following pages*****

Performance Tracking Report Addendum

CEPF Global Targets

(Enter Grant Term)

Provide a numerical amount and brief description of the results achieved by your grant.
Please respond to only those questions that are relevant to your project.

Project Results	Is this question relevant?	If yes, provide your numerical response for results achieved during the annual period.	Provide your numerical response for project from inception of CEPF support to date.	Describe the principal results achieved from 1 July, 2012 to 31 December, 2012 (Attach annexes if necessary)
1. Did your project strengthen management of a protected area guided by a sustainable management plan? Please indicate number of hectares improved.				Please also include name of the protected area(s). If more than one, please include the number of hectares strengthened for each one.
2. How many hectares of new and/or expanded protected areas did your project help establish through a legal declaration or community agreement?				Please also include name of the protected area. If more than one, please include the number of hectares strengthened for each one.
3. Did your project strengthen biodiversity conservation and/or natural resources management inside a key biodiversity area identified in the CEPF ecosystem profile? If so, please indicate how many hectares.	Yes	24 000		The declaration of the three peaks voluntary conservancy officially made and signed
4. Did your project effectively introduce or strengthen biodiversity conservation in management practices outside protected areas? If so, please indicate how many hectares.	Yes	8000		Through our engagement with Government we successfully placed 2 eco rangers on a farm just outside the three peaks conservancy and introduced and strengthen biodiversity conservation practices
5. If your project promotes the sustainable use of natural resources, how many local communities accrued tangible socioeconomic benefits? Please complete Table 1 below.	Yes			SKEPPIES projects are manufacturing Kraalbos soap(GALENIA AFRICANA) and the haversting are done by farming communities adjacent and around Okiep where the production take place. Top seeds are used and processed into an extratct. Piet Crafting are another project that make usb sticks and other wooden products from alien trees in the Kamiesberg area.

If you answered yes to question 5, please complete the following table

Table 1. Socioeconomic Benefits to Target Communities

Please complete this table if your project provided concrete socioeconomic benefits to local communities. List the name of each community in column one. In the subsequent columns under Community Characteristics and Nature of Socioeconomic Benefit, place an X in all relevant boxes. In the bottom row, provide the totals of the Xs for each column.

Name of Community	Community Characteristics							Nature of Socioeconomic Benefit													
	Small landowners	Subsistence economy	Indigenous/ ethnic peoples	Pastoralists/nomadic peoples	Recent migrants	Urban communities	Communities falling below the poverty rate	Other	Increased Income due to:				Increased food security due to the adoption of sustainable fishing, hunting, or agricultural practices	More secure access to water resources	Improved tenure in land or other natural resource due to titling, reduction of colonization, etc.	Reduced risk of natural disasters (fires, landslides, flooding, etc)	More secure sources of energy	Increased access to public services, such as education, health, or credit	Improved use of traditional knowledge for environmental management	More participatory decision-making due to strengthened civil society and governance.	Other
									Adoption of sustainable natural resources management practices	Ecotourism revenues	Park management activities	Payment for environmental services									
Kamiesberg				X			X		X	X	X	X	X		X	X		X	X		
Namakhoi						X	X		X		X	X	X		X	X			X		
Richtersveld			X	X			X		X		X	X	X		X	X		X	X		
Khai-ma						X	X		X		X	X	X		X	X		X	X		
Hantam				X		X	X		X		X	X	X	X	X	X	X	X	X		
Total																					

If you marked "Other", please provide detail on the nature of the Community Characteristic and Socioeconomic Benefit:

