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IMPLEMENTATION COMPLETION REPORT
(TF-28321 TF-28322 TF-28956)

ON A

GRANT

IN THE AMOUNT OF US\$12.3 MILLION

TO THE

REPUBLIC OF SOUTH AFRICA

FOR THE

CAPE PENINSULA BIODIVERSITY CONSERVATION PROJECT

February 2, 2006

**Environment, Rural and Social Development Unit, AFTS1
Country Department 1, South Africa
Africa Region**

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CURRENCY EQUIVALENTS

(Exchange Rate Effective on January 12, 2006)

Currency Unit = ZAR
ZAR 1 = US\$ 0.16
US\$ 1 = ZAR 6.105

FISCAL YEAR

January 1 - December 31

ABBREVIATIONS AND ACRONYMS

ABI	C.A.P.E. Agulhas Biodiversity Initiative
BotSoc	Botanical Society of South Africa
CAPE	Cape Action Plan for the Environment (Strategy and Action Plan 1998-2000)
C.A.P.E.	Cape Action for People and the Environment (Implementation Program)
CapeNature	Western Cape Nature Conservation Board
CBD	Convention on Biodiversity
CCU	C.A.P.E. Co-ordination Unit
CEPF	Critical Ecosystem Partnership Fund
CIC	C.A.P.E. Implementation Committee
CFR/CFK	Cape Floristic Region/Cape Floral Kingdom
CPNP	Cape Peninsula National Park (now Table Mountain National Park)
CPU	Conservation Planning Unit of the Western Cape Nature Conservation Board
DEAET	Eastern Cape: Department of Economic Affairs, Environment and Tourism
DEAT	National Department of Environmental Affairs and Tourism
DWAF	National Department of Water Affairs and Forestry
EPWP	Extended Public Works Program (formerly Poverty Relief Program)
FFEM	French GEF
FFI	Flora and Fauna International
GEF	Global Environmental Facility
GoSA	Government of South Africa
IEMS	Integrated Environmental and Management System
KPI	Key Performance Indicator
MCM	Chief Directorate of Marine and Coastal Management in DEAT
MoU	Memorandum of Understanding
MPA	Marine Protected Area
SANParks	South Africa National Parks
SANBI/NBI	South African National Biodiversity Institute, formerly National Botanical Institute
TMF	Table Mountain Fund
TMNP	Table Mountain National Park
UNDP	United Nations Development Program
WCNCB	Western Cape Nature Conservation Board, CapeNature
WfW	Working for Water Program
WWF-SA	World Wildlife Fund for Nature (South Africa)

Vice President:	Gobind Nankani
Country Director:	Ritva Reinikka
Sector Manager:	Richard Scobey
Task Team Leader:	Christopher Warner

SOUTH AFRICA
Cape Peninsula Biodiversity Conservation Project

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<i>Project ID:</i> P035923	<i>Project Name:</i> ZA-GEF Cape Penninsula SIL (FY98)
<i>Team Leader:</i> Christopher James Warner	<i>TL Unit:</i> AFTS1
<i>ICR Type:</i> Core ICR	<i>Report Date:</i> February 2, 2006

1. Project Data

Name: ZA-GEF Cape Penninsula SIL (FY98)

L/C/TF Number: TF-28321; TF-28322;
TF-28956

Country/Department: SOUTH AFRICA

Region: Africa Regional Office

Sector/subsector: Forestry (40%); Other social services (20%); General public administration sector (20%);
Other industry (10%); General agriculture, fishing and forestry sector (10%)

Theme: Biodiversity (P); Land administration and management (P); Export development and
competitiveness (P); Rural non-farm income generation (P); Participation and civic
engagement (P)

KEY DATES

	<i>Original</i>	<i>Revised/Actual</i>
<i>PCD:</i> 06/15/1997	<i>Effective:</i> 06/01/1998	06/01/1998
<i>Appraisal:</i> 11/05/1997	<i>MTR:</i> 09/14/2000	09/24/2000
<i>Approval:</i> 02/17/1998	<i>Closing:</i> 06/30/2004	06/30/2005

Borrower/Implementing Agency: Government of South Africa/South Africa National Parks; Government of South
Africa/World WildLife Fund - South Africa

Other Partners: Civil Society, South African National Biodiversity Institute, FFEM

STAFF	Current	At Appraisal
<i>Vice President:</i>	Gobind T. Nankani	Callisto E. Madavo
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<i>ICR Primary Author:</i>	Jeeva A. Perumalpillai-Essex and Amanda Younge (Consultant)	

2. Principal Performance Ratings

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HL=Highly Likely, L=Likely, UN=Unlikely, HUN=Highly Unlikely,
HU=Highly Unsatisfactory, H=High, SU=Substantial, M=Modest, N=Negligible)

Outcome: HS
Sustainability: HL
Institutional Development Impact: SU
Bank Performance: S
Borrower Performance: S

Quality at Entry: QAG (if available) ICR
S
Project at Risk at Any Time: No

3. Assessment of Development Objective and Design, and of Quality at Entry

3.1 Original Objective:

The Cape Peninsula Biodiversity Conservation Project was the first GEF project in South Africa, initiated in the period immediately after the democratic transition of 1994 in support of local efforts to conserve the unique biodiversity of the Cape Peninsula and the associated marine environment, as part of the Cape Floristic Region (CFR). South Africa ranks as the third most biologically diverse country in the world, and is the only country in the world to have within its borders an entire plant kingdom, the CFR. This region harbors exceptional biodiversity, exemplified by high species richness, habitat diversity and gamma diversity (turnover) across the ecological landscape. The region has more than 9,600 plant species, of which close to 1,400 are endangered or close to extinction. Its freshwater habitats harbour 19 species of fish, all endemic or near-endemic. In South African coastal waters, 11,000 species of marine animals have been recorded, of which 3,500 are endemic to the CFR. The marine fish fauna is very rich with some 400 species recorded (including several notable endemics). The CFR spans 89,000 km² and three provinces, has nearly 5 million inhabitants and a wide variety of organizations and government bodies with an interest in biodiversity, either directly or indirectly.

The project development objective (PDO) was: *“to ensure the rehabilitation and sustainable protection of globally significant flora and related fauna of the Cape Peninsula including surrounding marine ecosystems, and to initiate planning and conservation activities for the entire Cape Floral Kingdom.”* The project financed the development of a long-term strategy to conserve the CFR, while also providing funds to fast-track the establishment of a national park in the most threatened and biodiverse part of the region, the Cape Peninsula Mountain Chain, and to capitalize an existing small grants fund to support NGO activities across the CFR, targeting conservation priorities. In 1998, the GEF provided US\$12.3 million to fund the project activities.

The project objective was relevant as it responded to the severe levels of threat faced by the fauna and flora of the CFR, and the urgent need to preserve this ecologically unique region from degradation. The project was consistent with the efforts of the Government of South Africa (GoSA) to address national and global environmental priorities by supporting the development of an enabling environment to reverse land degradation and conserve biological resources.

The project was implemented by two established, reputable organisations, South African National Parks (SANParks) and WWF-South Africa, both with strong track records in their fields of competence. The project was to be implemented shortly after the transition to democracy and consequently the policy environment was relatively fluid. However, the risk was limited because of institutional stability and GoSA's commitment to honor international obligations.

3.2 Revised Objective:

The project development objective was not revised.

3.3 Original Components:

The project was designed to support on-going initiatives to conserve the Cape Peninsula Mountain Chain and to provide for a strategic planning process to identify priorities and develop an action plan for the CFR. The project comprised three components: (i) Strengthening management of and extending the globally

significant Cape Peninsula National Park (now known as the Table Mountain National Park, TMNP) under the management of South African National Parks (SANParks); (ii) Part-capitalizing a newly-established small grants trust fund, the Table Mountain Fund (TMF) under the management of WWF-South Africa, and (iii) Preparing a strategy and action plan for conserving the CFR as a whole, carried out by WWF-South Africa. While the components were implemented by two different institutions, close collaboration between them and common goals supported the achievement of the project objectives.

Component 1: Table Mountain National Park (TMNP) (US\$6.3 million):

The TMNP, located in the centre of the Cape Town metropolitan area (a city of 3.5 million people) is an open-access park, surrounded by both poor and wealthy communities. The TMNP was established in 1998, consolidating property that had previously been part of 14 different authorities at national, provincial and local government levels and also owned by private persons. To facilitate consolidation and management of the park, GEF support to TMNP focused on the following sub-components:

- a. Invasive alien plant eradication:* Alien plants posed the most severe threat to fynbos ecosystems in the Park. The objective of the six-year program was to remove the entire infestation of woody, seed-bearing alien invasive plants.
- b. Environmental education:* Environmental education centers within the park were upgraded, to better cater to the growing stream of tourists, as well as to target city disadvantaged communities to participate on-site. There were also outreach activities for surrounding communities.
- c. Enhanced fire management:* Fire management in the Park entails balancing management of wild fires and undertaking prescribed burning of high-risk areas. Funding was provided to support a fire management plan, for the provision of link roads, to finance a helicopter on standby, together with labor groups for fire control and management.
- d. Improved tourist infrastructure:* As the Park is in part an open system, with many informal and formal access points, impact on the natural areas needs to be directed and managed. Inappropriate, poorly aligned and inadequately constructed footpaths had resulted in severe erosion and required rehabilitation. Safe gateways to the Park were also provided with informational signage.
- e. Capacity building:* Entrepreneurial training was provided for promising independent contractors. This was to build capacity amongst potential contractors to carry out clearing of alien species, footpath maintenance and other park-related tasks.
- f. Marine protection program:* The key activities focused on supporting the establishment of a marine park. This included assessing park feasibility, identifying appropriate boundaries, drafting regulations, researching the socio-economic needs of communities, collection of baseline data, monitoring programs and applied marine research. Active participation of the communities were sought.
- g. Knowledge management:* The existing Park Environmental Information System (EIS) was upgraded and consolidated to incorporate the results of management research. This includes legal mechanisms for securing conservation control of land; analysis of visitor use patterns; impacts of management actions on surface hydrology; cost-benefit analysis of alien plant control methods; restoration of transformed habitats; identification of new bio-control agents; a feasibility study for control of Himalayan Tahrs, and land use planning in the urban interface.

Component 2: Table Mountain Fund (TMF) (US\$5 million):

The objectives for the TMF component were the conservation of the biological diversity of the Cape Peninsula and its adjacent marine systems, and the conservation of the broader CFR and its adjacent marine systems. The Fund was established in 1993 by WWF-SA with US\$2 million raised locally. The TMF was originally a capital fund providing small grants to NGOs and other organizations for the conservation of the biodiversity of the Cape Peninsula and adjacent marine systems.

Component 3: CFR Strategy and Action Plan (CAPE) (US\$1 million):

The objectives of this component were to develop a long-term strategy to ensure the conservation of the CFR and adjoining marine ecosystems, and to prepare a five-year investment program focused on strategic priorities. The strategy was designed over two years and it was intended to integrate four sub-components: (a) terrestrial biodiversity; (b) marine biodiversity and coastal zone management; (c) institutional, legal and policy factors; and (d) financial, economic and social aspects. The geographic extent of the CFR, the lack of compatible scientific data and consultation with a wide range of stakeholder groups posed challenges to developing the strategy. However, these were overcome.

3.4 Revised Components:

The components were not revised.

3.5 Quality at Entry:

The quality of the overall project design at entry is rated as satisfactory. Project design took into account the need for a comprehensive set of interrelated initiatives addressing different aspects of the conservation of the region to achieve a sustainable outcome. Preparation activities were well-managed and thorough, relying extensively on South African expertise and knowledge of the region. The project was closely aligned with Government of South Africa (GoSA) policy objectives of poverty alleviation and biodiversity conservation. Its focus on building institutional capacity together with enhancing the financial sustainability of conservation activities was realistic and appropriate in terms of the policy context and funding environment of the project. The project design was sufficiently robust and flexible to address the challenges of being implemented in a rapidly changing legal and institutional environment. The strong participatory focus and support for NGO activities was both congruent with the political climate and stakeholder expectations, and able to secure buy-in and support from key stakeholder groups.

4. Achievement of Objective and Outputs

4.1 Outcome/achievement of objective:

Achievement of the overall project objective has been rated as highly satisfactory. The objective of ensuring the rehabilitation and sustainable protection of globally significant flora and related fauna of the Cape Peninsula including surrounding marine ecosystems, through the establishment of a financially and institutionally viable Park has been very well achieved. Though the overall project provided little financial resources its impact has been tremendous. The establishment of the Park and financial success is now used as a model for other parks in the country. The success in the rehabilitation of Table Mountain National Park is reflected in the fact that the GoSA now deems Cape Town as the gateway to the country. The Table Mountain Fund is considered to be a 'model' trust fund' to support biodiversity and conservation in the area.

And finally the development of the Cape Strategy is considered to be an international best practice.

Key indicators of success of the project are : (i) there has been no extinction of tracked species; (ii) in areas cleared of alien invasive plants, 3 endangered plant species (one protea and two ericas) have expanded their range and numbers; (iii) increased raptor breeding activity has been noted; (iv) 54 klipspringers have been reintroduced to the Park in 2004-5 after eradication of the Himalayan Tahrs; (v) the revised target of initial clearing of 85% of invasive woody seed-bearing aliens by year 7 (2005) was met, with GoSA funds committed to clearing the remaining 15%; all cleared areas are in follow-up maintenance; (vi) increasing effectiveness of the fire services can be gauged by comparing two dry seasons, 2000/1 and 2004/5, where over 8,000ha and 823ha respectively were burnt in wildfires; fires are smaller and of shorter duration; levels of fire-preparedness are significantly higher than at project inception and fire services are much better organised; and fire damage to private property outside the Park now only occurs where landowners have not cleared their land of alien invasive tree species; (vii) a marine protected area has been proclaimed, and is being implemented under an agreed management plan; and (viii) TMNP is financially in surplus.

The objective of having an agreed strategic and investment program for the CFR has been met, with the CAPE strategy not only successfully completed but now in implementation, and having leveraged significant financial, institutional and stakeholder support. The Table Mountain Fund has contributed strategically to supporting C.A.P.E. implementation by supporting 60 sub-projects.

4.2 Outputs by components:

(i) Table Mountain National Park (TMNP)

This component is rated as highly satisfactory. Despite having been established only 7 years ago, TMNP is now the second most profitable of the 22 parks run by SANParks. GoSA and other domestic co-funding of the component in the project period reached \$77.8 million, exceeding the appraisal target by \$8.2 million. Annual park revenue from admissions (in the order of \$2 million in 1997) is now at \$8.6 million annually, \$6.8 million of which funds the annual operating budget of the Park, and \$1.8 million currently reverts to the SANParks national biodiversity project. In 2004, 1.5 million paying visitors entered the Park at the controlled gateways. The Park also offers great opportunity for open and free access to the adjacent urban areas. The Park has introduced a Cape Town “Wild Card” and it is anticipated that tourism/visitor revenue to the Park will continue to fund current and expanded operations in the future. The GoSA is committed to investing a significant amount (current estimate US\$55 million) into tourism-related infrastructure in the Park over the next 3 years through the Expanded Public Works Program. Long-term operating costs have been lowered through major investment into removal of alien invasive species, erosion control (through footpath rehabilitation), and wildfire management, thus improving financial sustainability.

A Strategic Management Plan guided operations in the period 2000 – 2004, and is currently being revised for the period 2006 – 2010. An independent review (*S. Davies, H. Fortuin & P. Lochner, Review of the Strategic Management Plan of the Table Mountain National Park (2001-2004), CSIR Environmentek, Stellenbosch, 2005*) of the implementation of the Park’s Strategic Management Plan concluded that TMNP has been successful in establishing the foundations for sustainable management and operation of the Park in the future. This plan was considered worldwide, as of such high quality that it warranted a special international award. The Park has management agreements with the City of Cape Town, the Department of Environmental Affairs and Tourism, Marine and Coastal Management, the SA National Biodiversity Institute, the Expanded Public Works Program, and the Working on Fire Program. The Park participates in the TMNP-City of Cape Town Bilateral Forum, the Cape Peninsula Land Consolidation Working Group,

the Cape Peninsula Fire Protection Association, Western Cape Department of Education and Development's forums for all seven townships around the Park.

The preferred Park boundary comprises of 30,000 ha of land of which 83% (25,000 ha) is now under SANParks conservation management. Land purchase is being funded by grants from the Table Mountain Fund, City of Cape Town and SANParks. A number of incentives are now in place to support further contracting-in of private land, including a rates exemption offered by the City Council to private landowners.

The bulk (85-90%) of alien invasive plants has been cleared, the original objective of 100% having been found to be unrealistic to achieve within the project period. SANParks is committed to clearing the remaining portion and sustaining follow-up clearing in the long term, with GoSA funding. The invasive foreign animal populations have been removed and a local species, the Klipspringer reintroduced.

The Park operates environmental education and outreach programs involving 24,000 visits by local schoolchildren per year. Five hundred teachers have been trained, the GEF-funded environmental education resource pack has been distributed to over 100 schools, and mainstreamed into the curriculum and in-service teacher training by the Department of Education. Three environmental education centres have been renovated and refurbished, serving as interpretive and visitor centres supported by trained volunteers. One of the centers operates as an overnight and weekend facility for school groups, and another as a tourist interpretation and overnight facility for the Hoerikwaggo Trail. Twelve interpretive brochures have been produced and made available at visitor centres and formal Park gateways. Interpretive posters and displays have been erected at key locations. Volunteers have been trained and are active in staffing visitor centres and assisting with fundraising activities.

Fire management in the Park poses an increasing challenge as the summer season becomes drier, with global warming. The Park Fire Management Plan conforms to the National Veld and Forest Fire Act 101 of 1998, setting out procedures for managing wildfires and prescribed (controlled) burning. A Fire Risk Map identifies vegetation at different levels of wildfire risk. The Park maintains one standby helicopter on contract during fire seasons, and works in partnership with the City of Cape Town, the Provincial Government, volunteers and the Working on Fire Program, to provide additional fire management services. Levels of preparedness are significantly higher than at project inception and fire services are much better organised. Improved effectiveness in fire detection and suppression has dramatically reduced the probability that very large fires will occur. However, irrespective of the measures taken, this probability will always exist.

The original target of rehabilitating 37 footpaths was reduced to 14 in 2003, due to the prioritization of footpath mapping and development through rehabilitation rather than new construction. Progress was delayed due to turnover of key staff, lack of knowledge and the priority given to clearing alien vegetation. By the end of the project, 19 footpaths were completed (i.e. 87 km of a total of 660 km). A further 250 km are programmed for rehabilitation with government funding (ZAR21 million or US\$3.5 million) over the next three years. The first set of four Hoerikwaggo trails has been completed, which will provide 86 km of continuous path down the length of the Park, supported by overnight accommodation. GEF funding provided for the rehabilitation of a number of key access points and planned for the upgrade of a further 30 access points. The targets for access points to be funded by GEF resources were reduced as GoSA provided \$5 million over three years for tourism infrastructure.

The training and capacity building targets for the project were met and exceeded; including outsourcing of 50% of conservation work contracts to community contractors and the creation of (over 400) contract labor

jobs in alien vegetation clearing and footpath construction. Being located in the heart of a densely-populated metropolitan area, SANPark conducts an extensive public information and communication program. However this could be further strengthened. The current focus is on day-to-day management issues affecting city residents, including fire management and visitor safety. A new constitution and elected representatives have revitalized the Park Forum and ensured its effective functioning. A range of community partnerships is in place, with volunteers, 'friends' groups and adjacent communities.

The Marine Park was proclaimed in 2004, with law-enforcement and marine environmental education functions devolved from the Chief Directorate of Marine and Coastal Management, supported by the Marine Living Resources Fund. A number of important research studies continue to be undertaken to support marine management efforts, incorporating expertise from other relevant projects (e.g. Aliwal Shoal Marine Protected Area).

The Park's knowledge management and monitoring is undertaken by means of the Integrated Environmental Management System (IEMS, based on ISO 14000). This system represents South African best practice, and has served as a model for implementing environmental management systems throughout SANParks.

(ii) Table Mountain Fund (TMF)

Project achievements of the TMF are rated as satisfactory. The Fund, administered by WWF-SA, has been successful in providing key catalytic resources for over 60 projects (many are community based) amounting to \$2.5 million in the past 6 years, within 7 focal areas: a) conservation of prioritised habitats: terrestrial, freshwater and marine ecosystems, b) conservation of the CFR lowlands, c) building environmental awareness, d) controlling alien invasives and restoring biodiversity, e) applied research, f) enhancing the global conservation status of the CFR, and g) capacity building.

In at least 80% of cases, TMF funding has served as seed funding, leveraging resources from other sources and building partnerships. Based on a recent in-house evaluation, these projects have been deemed to be sustainable with investments from communities, private and public sources. Key performance indicators (KPI) for knowledge management (applied research) and invasive alien species eradication have been met. The KPI for environmental education was revised in alignment with the CAPE Strategy. TMF provides a sustainable (albeit limited) source of funding to support biodiversity conservation within the CFR, and intends raising further funding to enhance this function in the future.

The Fund's governance structure was amended in 2004, from one where trust membership was based on institutional representation, to one based on individuals. WWF-SA remains the only institutional member, due to the fact that it was the founding member. This change was a result of the collapse of the original TMNP Park Committee, which had 2 representatives on the Trust. Difficulties arose in determining which agencies should have representation on the Trust, given the extent of the stakeholder community in the CFR. Thus, an alternative was to base trust membership on individuals involved with conservation. The working arrangements of the Fund, with independent Trustees, should be reviewed to ensure that it is functioning in an open and transparent manner. The service provider to the Trust is WWF-SA which is also one of the Trustees, hence there is a need to ensure that there are no issues of conflicts in the roles and responsibilities. A Memorandum of Understanding between the Trustees of TMF and WWF-SA to govern the relationship is currently being discussed, to ensure that the benefits of the synergy between the two are retained while accountability concerns are addressed.

There is also a need to ensure that the TMF continues to directly support the implementation of the CAPE strategy, to ensure sustainability of the project outcomes. A TMF Strategic Plan recently agreed by the Trustees supports this. TMF is also a signatory to the C.A.P.E. MoU. This relationship should be formalized through appropriate agreements with the C.A.P.E. Implementation Committee (CIC) and the C.A.P.E. Co-ordination Unit (CCU), and should take into account the potential role that the CIC could play in protecting the Trust's governance, and the role that the CCU has played in the past on the Project Approval Group of TMF sub-project proposals.

(iii) CFR Strategy and Action Plan (CAPE Strategy)

This component was rated as highly satisfactory on completion in 2000. To implement the strategy \$60 million has been obtained; including two GEF financed projects: Cape Action Plan for the Environment: Implementation Program (Grant No. TF053225 for \$9 million) and the UNDP/GEF funded Agulhas Biodiversity Initiative (Project ID 1055 for \$3.23 million), as well as receiving co-financing from Critical Ecosystem Partnership Fund (CEPF) and domestic sources amounting to \$45 million. The CAPE Strategy is acknowledged globally as one of the most advanced and innovative bioregional conservation initiatives.

The strategy combined intensive multi-disciplinary stakeholder involvement with an explicit, systematic quantitative conservation planning procedure. It established clear targets for conserving a representative sample of biodiversity patterns and ecological processes at landscape scale. Strong emphasis was placed on building partnerships between executing agencies, non-governmental organizations, research institutes and the private sector from the outset, in order to create commitment to implementation and ensure long-term social sustainability to match the efforts towards ecological sustainability. C.A.P.E was able to gain the support of key stakeholders, to create commitment to implementation by executing agencies, and build a sound base for implementation. Its success, attributed in large part to strong government commitment and stakeholder support, provides a strong assurance that further conservation measures intended to realise the C.A.P.E. vision have a high probability of success, both in terms of mitigating threats and ensuring sustainability.

4.3 Net Present Value/Economic rate of return:

No specific analysis of the net present value and economic rate of return from the GEF investment was undertaken for any of the components. The TMNP commissioned a study in 2004, by the University Of Cape Town Graduate School Of Business, (*Standish, B. et al, The Economic Contribution of the Table Mountain National Park, October 2004*) to assess the macroeconomic impact of the Park and it was found that the Park has had a significant macroeconomic effect on Cape Town and the Western Cape. It estimated that the Park 's direct cumulative contribution to the Western Cape Gross Geographic Product was R132 million over the last six financial years. Total employment created was around 300 to 600 and about 103 and 158 indirect jobs have been created over the last six years. There are also other multiplier effects such as on tourism with impact on the hotel and entertainment industry that needs to be included to determine the true quantitative impact.

4.4 Financial rate of return:

As typical for environmental projects of this kind, the project did not include the calculation of financial rates of return. The aim of establishing two institutions, the Park and the TMF, as properly functioning and financially sustainable entities, has been achieved (refer to 4.2 above), and there is GoSA commitment to sustaining this investment. In addition, to implement the CAPE Strategy, significant financial support has been obtained.

4.5 Institutional development impact:

Institutional development impacts are most clearly seen in GoSA biodiversity conservation policy. This includes the expansion of the South Africa National Biodiversity Institute's (SANBI) role to include responsibility for bioregional planning and programs (starting with the implementation of the CAPE Strategy) and the establishment of the TMNP and its impact on the SANParks approach to conservation management.

The project strongly influenced evolving GoSA policy on biodiversity and conservation management. Draft biodiversity and protected areas legislation; in the pipeline at effectiveness; was significantly enhanced by innovations and lessons of the project. In particular, the CAPE strategy presented a first serious attempt to apply the Convention on Biodiversity (CBD) ecosystem approach to conservation, and catalysed a paradigm shift from species-based and "in-park" conservation management approaches to landscape-level conservation strategies and activities across the country. The scientific approach adopted by CAPE, the first of its kind in the world, pioneered a new way of identifying biodiversity priorities. It designed a scientifically defensible protected area network, and stimulated a focus on the Cape Lowlands as a conservation priority. Both the National Spatial Biodiversity Assessment (2004) and the National Biodiversity Strategy and Action Plan (2005) incorporated insights and lessons from the project.

The project provided a springboard for SANBI to support similar ecoregional/bioregional approaches in other priority biomes such as the Succulent Karoo, the Sub-tropical Thicket and the Grasslands. SANBI now has a directorate charged specifically with supporting bioregional planning and programs, and houses the C.A.P.E. Implementation Program as well as other similar programs. A Conservation Planning Unit has been established to generate and distribute the products of these scientific exercises, in the form of environmental sensitivity maps to guide sustainable development and planning, and to highlight important areas for the conservation of biodiversity.

Management of conservation in the CFR has benefited from significant improvements in co-ordination between agencies, through the institutional partnerships created to co-ordinate and manage the implementation of the CAPE Strategy. CAPE has provided an excellent model of institutional collaboration around biological and program priorities. The CAPE Strategy serves as a broad framework for alignment of institutional conservation responsibilities, in particular those of CapeNature (the Western Cape provincial conservation agency), SANParks, other government departments (Water Affairs and Forestry, Agriculture, Mineral and Energy Affairs) and municipal land use decision-making.

Capacity to manage environmental resources has improved significantly within the TMNP. As a result of the challenges of working in a metropolitan environment, the project also substantially influenced SANParks' approach to park management, assisting SANParks to move beyond an outdated paradigm to managing parks in a broader economic, social and physical landscape, shifting 'beyond the fence' in all parks, even those in deep rural areas.

5. Major Factors Affecting Implementation and Outcome

5.1 Factors outside the control of government or implementing agency:

Just prior to the mid-term review in 2000, a large fire resulted in changed vegetation growth patterns and subsequent alien growth which contributed to having the project extended by one year. The scale of the alien vegetation clearing operation resulted in the work on the footpaths roll-out program lagging.

Extension was also warranted due to the depreciation of the rand during implementation and SANParks also obtaining additional resources from the Working for Water Program which had to be utilized within a short period.

The fluctuation of the exchange rate between the US dollar and the South African rand impacted on the capital resources of the Table Mountain Fund (TMF). Half of the GEF resources have been maintained in US dollars and invested in off shore accounts. These accounts did not perform well during the project period resulting in limited resources available for investments. The expected rate of return from the Trust Fund was to be at least 7.5% on average. As a result of weak performance on the equity markets and fluctuating exchange rates, this level of net return proved unrealistic. The average return was around 5% against a capital amount of \$8.4 million. The Trustees have indicated that they would have to extend their fund raising activities for a fresh injection of capital.

5.2 Factors generally subject to government control:

No major endogenous factors negatively affected project outcomes. Project implementation went more or less according to schedule. Even though TMNP revenue from user fees revert to SANParks consolidated account, the bulk of this is returned to the Park to finance operating costs.

5.3 Factors generally subject to implementing agency control:

As mentioned earlier, the slow start-up in TMNP footpath construction resulted from lack of knowledge and expertise and the need to address alien clearing. However, the Park has been assured of GoSA funding to complete the rehabilitation program in the next 3 years. During project extension phase GEF resources were utilized for rehabilitating footpath construction and alien clearing.

5.4 Costs and financing:

Overall funding from GEF resources was a small fraction of total project cost. Total domestic co-financing (government and other) exceeded the appraisal target by \$14.12 million (118.1%), and international co-financing exceeded the appraisal target by \$0.46 million (See Annex 2). The TMNP funding exceeded the appraisal target of \$69.8 million of domestic investment by \$8 million. Almost all Park co-financing was of domestic origin. TMF and WWF-SA had raised an initial \$8 million in co-financing by project inception, subsequently raising a further \$5.74 million including \$3 million to purchase the strategic Noordhoek Kommetjie Wetlands for inclusion into TMNP. Domestic in-kind contributions to the CAPE Strategy during project implementation and in support of the post-strategy transition period were estimated at \$0.43, nearly five times the appraisal target. Further foreign co-financing (\$0.46 million) for the transition was raised from WWF-US, Conservation International South Africa, Fauna and Flora International, and EarthVoice/Humane Society.

Funding for implementation of the CAPE Strategy since 2002 has included Critical Ecosystem Partnership Funds (CEPF) of \$6 million for activities aligned to the strategy. CAPE was further funded by two PDF-B grants for preparation of full-sized GEF grants (2004) of US\$9 million to C.A.P.E and \$3.2 million to the Agulhas Biodiversity Initiative, a CAPE strategy priority.

Disbursement

Of the total GEF grant of US\$12.3 million, only about US\$137,000 remains undisbursed. At project effectiveness US\$5 million was disbursed as equity investment to the Table Mountain Fund. The remaining

resources of US\$7.3 million were primarily for the TMNP and developing the CAPE strategy.

6. Sustainability

6.1 Rationale for sustainability rating:

The project sustainability rating is highly likely. Sustainability of TMNP is dependent on the value placed on the Park by stakeholders and communities, which derives both from benefits provided and from effective communication between management of the park and the public. Evidence of sustainability is reflected by: (a) the Park is now financially sustainable with an explicit commitment of SANParks to sustaining the GEF investments; (b) the Park has protection through legislation; (c) management of the Park is by SANParks, the country's premier conservation agency with the highest levels of expertise and management capability; (d) the new biodiversity legislation ensures that the managers of protected areas are to develop and implement plans to control and eradicate invasive alien plants; (e) the Park's environmental education program has been mainstreamed within the curriculum of the provincial Department of Education; (f) public pressure by the Park and new legislation requires effective wildfire management by the Park and other agencies; (g) GoSA is financially committed, through the EPWP, to upgrade tourism infrastructure; (h) the provision of sustainable financing for the Marine Protected Areas from the Marine Living Resources Fund; (i) partnerships agreements exist with all major institutional stakeholders; and j) the Park Forum has been restructured and is functioning effectively.

The TMF is a capital fund, providing a potentially sustainable funding source for the conservation of the CFR. The governance structure will be reviewed to ensure the sustainability of the investments.

The CAPE strategy is now under implementation and demonstrates a remarkable level of mainstreaming and sustainability. The CAPE Strategy in essence constituted a pre-feasibility phase for a broader initiative to protect the entire CFR. There is a strong assurance that further conservation measures intended to realise the CAPE vision have a high probability of success, both in terms of mitigating threats and engineering sustainability.

6.2 Transition arrangement to regular operations:

Transition to regular operations has taken place successfully in all components. The TMNP is deemed sustainable and the TMF continues to operate effectively. The Cape Strategy is well under implementation through mainstreaming. Two projects, evolving out of the CAPE strategy continue to receive GEF funds, namely - Cape Action Plan for the Environment Implementation Program and the Agulhas Biodiversity Initiative.

7. Bank and Borrower Performance

Bank

7.1 Lending:

Bank activities during project identification, design and appraisal were satisfactory, being consistent with CAS and with GoSA development strategy. It was technically well supported by the client and involved stakeholder participation. Design and implementation planning were realistic in terms of local capacity, local lessons were taken into account, and risks adequately assessed.

7.2 Supervision:

There were three Task Managers for the project. However this did not adversely impact on supervision, nor on project outcomes. However, with the last change in Task Manager and Team the implementation progress and development ratings did change from 'highly satisfactory' to 'satisfactory'.(Annex 4) On hindsight, the main reason for this has to do with the more conservative approach to ratings that the new Team had compared to the previous Team. Supervision is rated as satisfactory, having been conducted in a collegial and supportive manner. Supervision supported pragmatic adaptations to component design during implementation, and provided guidance in areas where local expertise was limited. Reporting was consistent, and technical problems were generally identified and rectified in good time.

Supervision missions were well staffed with correct skills mix throughout implementation. An area where Bank supervision could have provided more appropriate guidance was in the review of the amendment to the TMF Trustee representation. Post project and under the aegis of the Cape Program, it may be worthwhile to review the governance structure to ensure there are no conflict of interests and that there is more effective structure in place.

Two minor changes were made to PDO indicators during supervision:

- a. *TMNP Alien clearing KPI*: The initial target was found to be unrealistically high for a new Park with unforeseen demands of wildfires and limited capacity in terms of staffing, skills and experience. The target was revised to a more realistic 85% of invasive alien seed-bearing plants removed by year 7.
- b. *TMF*: There was no KPI for the fund in the PAD Logframe. A new KPI was created: “TMF making key contribution to implementation of CAPE strategy through support to NGOs, CBOs and to leverage government. Over 30 projects supported.”

7.3 Overall Bank performance:

Overall Bank performance is rated as satisfactory.

Borrower

7.4 Preparation:

Borrower performance in preparation is rated as highly satisfactory. Significant support was provided to design and stakeholder participation. The project was a homegrown initiative. This was the first externally aided project to the country. However, the Borrower was quick to learn the processes required to access the GEF grant.

7.5 Government implementation performance:

GoSA performance in implementation is rated as satisfactory. Creation of an enabling legal and policy framework for the project during implementation significantly enhanced the project’s likelihood of being sustainable. Funding commitments were met and have been sustained since project completion.

7.6 Implementing Agency:

Performance of SANParks and WWF-SA is rated as satisfactory. All three components received unqualified audits. Work was undertaken in a timely manner on the whole, with minor delays being occasioned only by inexperience in new aspects of work and staff turnover. All components were implemented in a participatory manner with all relevant stakeholders.

7.7 Overall Borrower performance:

Overall borrower performance is rated as satisfactory.

8. Lessons Learned

Some of the key lessons for similar programs include the following:

Take advantage of post-conflict opportunities to influence policy and practice: This GEF investment in South Africa in the immediate post-conflict period took advantage of the “window of opportunity”, offered by the fluid policy and institutional environment, to catalyse a paradigm shift in the way in which biodiversity conservation is undertaken, establishing the conditions for more effective conservation in the country.

Avoid over-design: The project benefited significantly from a broad-brush Logframe, which clearly set out the objectives and KPIs but avoided detail (10% design and 90% implementation). This created sufficient flexibility and robustness to allow for adjustments where necessary and facilitated innovative approaches and solutions. A free hand was given to the architects of the project to be innovative and to take risks.

Manage beyond park boundaries: While the TMNP’s location in the heart of a major metropolitan area requires it to work effectively with user groups and surrounding communities, providing benefits and ensuring effective two-way communication, this approach is appropriate to the successful management of all parks, regardless of location.

Build in concerns for sustainability from project inception: It is the view of SANParks that sustainability of future investments in new parks should be a priority from the beginning of the project.

Use limited resources to catalyse projects and leverage other sources of funding: TMF works on the principle that a small amount of funding can catalyse significant outcomes through appropriate co-funding and project partnerships. This also leverages stakeholder commitment and supports sustainability.

Plan for the transition from strategy to implementation: The CAPE strategy was co-ordinated by WWF-SA on the understanding that implementation would be the responsibility of statutory agencies. However, delays in moving to strategy implementation were caused by: a) failure to provide adequate funding support for the transition period; b) no clear indication as to which agency would be responsible for leading implementation; and c) no clear indication of the appropriate procedure by means of which the implementation plan would enter the GEF pipeline. This also resulted in a repetition of the strategic planning process through the PDF-B, which confirmed but did not add significant value to the strategy.

Create stakeholder buy-in and commitment to implementation: As was learnt from this project, in a complex regional program, the roles of various stakeholders should be differentiated (in consultation with

stakeholders) to determine a range of levels and forms of involvement appropriate to the needs of the project and those of stakeholders. A sustained effort needs to be made to create partnerships around co-ordinated implementation of the action plan, and to develop an effective institutional framework to manage and fundraise for implementation. Key stakeholders should be deeply involved in project governance from inception.

Create alignment of agencies and programs: The alignment of objectives, work programs and budgets of partner agencies with the goals of the CAPE Strategy leveraged huge benefits for implementation. The most significant achievement in this regard has been CapeNature's adoption of the CAPE Strategy almost in its entirety as a basis for future operations. More recent alignments have been those of the SANBI, the Department of Agriculture and the Department of Water Affairs and Forestry. Equally significant has been the alignment of donor funding (TMF, CEPF) in support of CAPE objectives.

Provide fiduciary training to staff at project start: The executing agencies indicated that their work could have been facilitated if they had better knowledge of GEF financial and procurement procedures.

9. Partner Comments

(a) Borrower/implementing agency:

SANParks, WWF-SA and SANBI all expressed the feeling that the project had catalysed important national and local developments in policy, legislation and approaches to conservation, facilitated institutional strengthening, co-ordination, alignment and efficiency, built great capacity and momentum in the conservation community, supported the evolution of good practice and significantly facilitated the sustainable conservation of the CFR.

(b) Cofinanciers:

International co-financing was limited, consisting of small but strategic contributions to the TMNP by the French GEF (FFEM) for marine management, support to TMF by the Mulargo Fund via Conservation International, and bridging finance for the CAPE Strategy by WWF-US.

(c) Other partners (NGOs/private sector):

A wide range of local NGO partners have participated and continue to participate in the project. Stakeholders and partners are involved in all strategic review processes in all components. The TMNP Park Forum is functioning more effectively since restructuring, and seeks improved communication with Park management.

10. Additional Information

10.1 Implementation Approach

As noted in Section 8, the project benefited from a flexible design and Log-frame. As a result there was fine tuning of many of the indicators. Project implementation had to take into account management changes especially as the national park was being consolidated and formed from the multitude of local governments under whose jurisdiction parts of the Park were under. Implementation of the project benefited from extensive and intensive stakeholder and NGO consultations. TMNP had developed an integrated environment and management system (IEMS) which served as a model for implementing environmental systems throughout SANParks. The TMF administration, namely WWF-SA had provision for monitoring

and evaluating the sub-projects.

10.2 Country Ownership/Drivenness

The project demonstrates a commendable level of country ownership, as evidenced by: a) supportive legislation, including a new Biodiversity Act, Protected Areas Act, National Veld and Forest Fire Act, alien species control legislation, marine protection legislation and legal protection of both TMNP and its associated Marine Protected Areas (MPA); b) supportive policy frameworks, including a White Paper on Conservation and Sustainable Use of South Africa's Biological Diversity, a National Spatial Biodiversity Assessment, and a National Biodiversity Strategy and Action Plan; c) financial commitment to sustaining GEF investment by GoSA and in particular SANParks; d) a number of institutional partnerships for ongoing implementation, including two CAPE MoUs, partnerships between TMNP and key stakeholders, and local partnerships fostered by TMF; and e) alignment of all key government conservation and development agencies, major NGOs and relevant private sector associations in the CFR with the CAPE strategy.

10.3 Partnerships and Stakeholder Participation

The project is characterised by strong partnerships and stakeholder participation at all levels. The Park Forum, consisting of key stakeholders, is an institutionalized body which provides advice to SANParks management through regular meetings. Both TMNP and TMF have active websites: www.tmnp.co.za and www.panda.org.za/tmf.htm. Additionally, information is disseminated by TMNP through regular newsletters.

10.4 Replication approach and impact

Project processes and outputs have had significant influence on GoSA institutions and management practices beyond the immediate project implementers, eg: SANParks (landscape approach, alien clearing, knowledge management, environmental education, footpaths and tourism infrastructure); SANBI (bioregional planning approach); CapeNature (strategic priorities, capacity building); Working on Fire Program (fire management approaches); Marine and Coastal Management (establishing new marine protected areas and devolution of responsibilities); and CAPE partners (institutional collaboration and strategic alignment).

The CAPE strategy and its implementation have influenced landscape and bioregional planning in a number of other parts of South Africa and the world, including the Sub-tropical Thicket Ecosystem Project, the Succulent Karoo Ecosystem Project, the Grasslands Biome Project, the Eastern African Marine Ecoregion (Kenya, Tanzania and Mozambique), the Central Annamites (Vietnam), an Eastern Africa Coastal Forests, as well as the dryland ecoregional programs of WWF. The Strategy has resulted in two new Programs funded by the GEF.

10.5 Financial Planning

Refer to Annex 2. The quality of financial reports were considered to be of good quality. Regular and timely audits were carried out of the financial statements of both TMNP and TMF. There were no qualifications from any of the audited statements.

10.6 Monitoring and evaluation

All three components undertake regular in-house and independent reviews, incorporating stakeholder participation. The TMNP IEMS provides the basis for ongoing data capture and management monitoring for the Park. CAPE Strategy implementation is monitored as part of Bank supervision. Annex 1 provides the outcomes of the monitoring of the key indicators.

10.7 Cost Effectiveness

Refer to Annex 3

Annex 1. Key Performance Indicators/Log Frame Matrix

Outcome / Impact Indicators:		
Indicator/Matrix as in PAD	Key Performance Indicators	Amendments During Supervision Actual/Latest Estimate
Project Development Objectives for SANP		
1. Rehabilitate and maintain indigenous terrestrial flora and fauna on the Cape Peninsula and marine conservation in immediately surrounding areas.	<p>1. No indigenous species added to the list of rare and/or threatened species (Red Data list). No additional plant species becoming extinct.</p> <p>2. All invasive alien seed bearing plants removed by year 6. All natural areas previously infested with invasive aliens in maintenance phase by year 6.</p> <p>3. 80% reduction of area burnt in uncontrolled wildfires by year 6.</p> <p>4. No infrastructural damage to private property outside the National Park [as a result of wildfires].</p> <p>5. Implementation of an agreed marine protection plan.</p>	<p>1. No extinctions of tracked species have occurred. In areas cleared of alien invasive plants 3 endangered plant species (one protea and two ericas) have expanded their range and numbers. Increased raptor breeding activity noted. 54 klipspringers reintroduced to the Park in 2004-5 after eradication of the Himalayan Tahrs.</p> <p>2. Revised target of 85% removed by year 7 (2005) met, with GoSA funds committed to clearing the remaining 15% by year 10 (2008). All cleared areas are in follow-up maintenance (ref PSR 5/13/2002).</p> <p>3. The area burnt in wildfires varies from year to year, reflecting both climatic conditions and the effectiveness of wildfire-management. An indication of the increasing effectiveness of the fire services can be gauged by comparing two dry seasons, 2000/1 and 2004/5, where over 8000ha and 823ha respectively were burnt in wildfires. Fires are smaller and of shorter duration. Levels of preparedness are significantly higher than at project inception and fire services are much better organised.</p> <p>4. A significant amount of damage to private property abutting the Park resulted from the 2000 fires. Subsequent fires in the fire season of 2004/5 also caused damage to private property, but only where landowners had not cleared their land of alien invasive tree species.</p> <p>5. MPA proclaimed, plan drawn up under implementation.</p>
Outcome / Impact Indicators:		
Indicator/Matrix as in PAD	Key Performance Indicators	Amendments During Supervision Actual/Latest Estimate
Project Development Objectives for WWF		
1. Rehabilitate and maintain indigenous terrestrial flora and fauna on the Cape Peninsula and marine conservation in immediately surrounding areas.	(No KPI included in PAD for WWF for this PDO)	New KPI added: TMF making key contribution to implementation of CAPE strategy through support to NGOs, CBOs and to leverage government. Over 30 projects supported (ref PSR 05/15/2002, 11/10/2003) TMF contributing strategically to supporting CAPE strategy implementation, 60 projects supported.
2. Development of a conservation strategy for the much larger Cape Floral Kingdom, of which the Cape Peninsula forms a part.	2. Agreed strategic and investment program for the CFK	2. Strategic Plan and investment program for the CFR completed and now in implementation

Output Indicators:		
Indicator/Matrix	Projected in last PSR¹	Actual/Latest Estimate
Alien clearing component: 1. Remove 2500ha of alien seed bearing vegetation per year and 24000 ha of park (100%) to be clear of alien seed bearing vegetation as per PAD.	Only 18500 ha or 83% of park will be cleared because. 1. Some areas form a part of the cultural landscape, other areas are very inaccessible, other areas do not need clearing.	85% cleared. Remaining areas to be cleared with GoSA funding.
Environmental education/visitor management 1 visitor survey/ data, 2. 1 enviro education centre in the Park and plans for 2 others, 3. Teacher and pupil training through 6 resource packs as well as 12 brochures. 4. 3 visitor interpretation sites completed.	100% for all 4.	1. 100% achieved 2. 3 enviro centres rehabilitated and functioning 3. 100% achieved 4. 100% achieved.
1. Controlled regeneration of natural vegetation through fire, (3-20% of park per annum) 2. Fire management plan produced and being implemented	1 and 2 100%	100% achieved for both
Tourism infrastructure. 1. Well maintained and sign posted visitor infrastructure on 37 paths to be rehabilitated. 2. Visitor data maintained at main points to the park.	1. 14 paths completed 2. Visitor data maintained at 3 points	1. 19 paths (87km) rehabilitated, with interpretive signage. 2. Visitor data maintained at 4 controlled entrances.
50% of contracts for rehabilitation of the mountain through removing alien vegetation going to Park trained contractors	As above	100% achieved
Established marine protected area adjoining the Park if feasible	MPA in place and being implemented	100% achieved
Knowledge management system to manage the Park (M&E, EIS etc) established and in use	100% complete and in use	100% achieved
Real rate of net returns from the Trust Fund at least 7.5% on average	Reduced to 5% due to investment climate and returns	Amended target achieved
Presentation of a strategic plan and investment program for the CFK	100%	100% achieved

¹ End of project

Annex 2. Project Costs and Financing

Table 1: Project Cost by Component (in US\$ million equivalent)

Component	Cost Category	Appraisal Estimate	Actual/Latest Estimate	Percentage of Appraisal
TMNP	Current Funding	69.8	67.52	96.7
	GEF contribution	6.3	6.22	98.7
	Co-finance (foreign)	1.0	1.01	101.0
	Co-finance domestic)	0.0	10.3	
TMF	Current Funding	8.0	8.0	100.0
	GEF contribution	5.0	5.0	100.0
	Co-finance (foreign)	0.0	5.74	
	Co-finance domestic)	0.0	0.02	
Cape Strategy	Current Funding	0.0	0.0	
	GEF contribution	1.1	0.97	88.18
	Co-finance (foreign)	0.1	0.46	460.0
	Co-finance domestic)	0.0	0.43	
	Total GEF contribution	12.3	12.19	99.1
	Total Co-finance (foreign)	1.0	1.46	146
	Total Co-finance (domestic)	0.1	16.5	16,500
Total Project Costs		91.2	105.67	115.9

**Table 2: Project Costs by Procurement Arrangements (Appraisal Estimate)
(US\$ million equivalent)**

	ICB	NCB	Other	N.B.F	Total Cost (Incl. Cont.)
1. Works					
Roads (1)				3.8	3.8
Office Rehabilitation (1)				1.3	1.3
Foot paths and G'ways (1)				4.7	4.7
Boulder investment (1)				1.3	1.3
Plant eradication (2)			3.2	6.6	9.9
Fire management (2)			0.2	3.6	3.8
Path maintenance (2)			0.6	3.8	4.3
2. Goods					
Vehicles				0.8	0.8
Radio equipment				1.6	1.6
Herbicides (3)	0.7			0.7	1.4
3. Consultant Services (4)					
M&E + EIS			0.5	0.8	1.3
Marine Studies			0.3	0.4	0.7
Terrestrial Studies			0.3		0.3
CFK strategy			1.0	0.1	1.1
4. Miscellaneous					
Trust Fund (5)			5.0	8.0	13.0
Environmental education (6)			0.5	1.0	1.5
Capacity building (6)				2.1	2.1
Boulder maintenance				4.3	4.3
Overhead, staff, loan servicing				34.0	34.0
Total	0.7	0.0	11.6	78.8	91.2

Note: N.B.F= Not Bank financed. All items under ICB (US\$0.7mill) and Other (US\$11.6mill) are financed entirely by GEF.

**Table 3: Project Costs by Procurement Arrangements (Actual/Latest Estimate)
(US\$ million equivalent)**

Expenditure Category	Procurement Method				Total Cost (Incl. Cont.)
	ICB ¹	NCB	Other	N.B.F. ²	
1. Works (TMNP)³			4.66	24.47	29.13
2. Goods (TMNP)				2.3	2.3
3. Services					
(TMNP)	0.71		0.41	1.0	2.12
(WWF-SA:CAPE)			0.97	0.9	1.87
4. Misc.& Operating Costs (TMNP)			0.44	51.05	51.49
5. Miscellaneous (TMF)			5.0	13.74	18.74
Total	0.71		11.48	93.46	105.65

Note:

1. All items under ICB and Other are finance entirely by GEF. "Other" includes civil works and goods to be procured through national shopping, consulting services, services of contracted staff of the proct management office, training, technical assistance services, and incremental operating costs related to (i) managing the project, and (ii) re-lending project funds to local Government units.
2. NBF: Not Bank-Financed
3. TMNP breakdowns by expenditure categories are an approximation, as Park financial are not aligned to Bank procurement categories.

Table 4: Project Financing by Component (in US\$ million equivalent)

Component	Appraisal Estimate			Actual/Latest Estimate			Percentage at Appraisal		
	Bank/ GEF	Domestic (Govt. & other) ¹	CoF For.	Bank/ GEF	Domestic (Govt. & other) ²	CoF For.	Bank/ GEF	Domestic (Govt. & other)	CoF For.
Table Mountain National Park	6.3	69.8	1.0	6.22	77.82	1.01	98.7	111.5	101.0
Table Mountain Fund	5.0	8.0	0.0	5.00	13.74	0.02	100.0	171.8	0.0
CAPE Strategy	1.0	0.1	0.0	0.97	0.43	0.43	97.0	430.0	0.0
Total	12.3	77.9	1.0	12.19	92.02	1.46	99.1	118.1	146.0

Note:

1. In order to make comparisons with the PAD, the definitions of headings in this table are as set out in the PAD. The domestic column includes finance from domestic resources, including SANP central subsidies, provincial and local Government contributions, revenue from admission fees and tourism venture royalty, NGO land purchases and domestic stakeholder contributions. "COF" signifies foreign co-financing i.e. FFEM.
2. Exchange rate calculations based on US\$1=ZAR 5.45 (exchange rate at appraisal)

Annex 3. Economic Costs and Benefits

A cost-benefit analysis of the project was not conducted. An update of the incremental cost analysis in the PAD is set out below.

The objectives of GEF assistance were to:

- (i) Roll back the threat of invasive alien species to allow the natural regeneration of indigenous species, protect the area from raging wildfires and recreate nature's own renewal process, extend the realm of effective conservation to surrounding marine areas, upgrade the capacity to provide environmental education, improve roads and paths to minimize erosion and enhance accessibility, upgrade the monitoring and study of biodiversity in this unique area.
- (ii) Ensure the maintenance in perpetuity of biodiversity conservation on the Cape Peninsula and beyond in the Cape Floral Kingdom, extending the reach of conservation activities to private land outside the National Park, and using NGOs as implementing agencies and decision-makers.
- (iii) Lay the strategic foundation for effective conservation of the Cape Floral Kingdom.

These objectives were largely met and in many instances exceeded by the project, and significant global benefits leveraged.

The GEF grant triggered the proclamation of the TMNP and has accelerated its alien clearing program by 15 years, making a huge impact on the invasive alien species problem. Without the GEF grant, almost no environmental education would have taken place. The refurbishment of environmental education centres would have taken place at a much slower rate and on a smaller scale, reducing the levels of awareness amongst visitors and schools, particularly those from disadvantaged communities. The Park would have remained to a large extent the preserve of the City's wealthy minority. The firefighting capability of the Park would be significantly less efficient and effective, and a very limited amount of tourist infrastructure development would have taken place. Very limited capacity building would also have been possible. It is also extremely doubtful that the marine park would have been established in this period. Development and use of an IEMS was not standard within SANParks at the time. Without the GEF funding, the existing system would not have the capacity and effectiveness that has been developed.

Without the GEF investment, the scope and size of the TMF would have remained limited to the Cape Peninsula, and no funding would have been made available for conservation activities in the broader CFR. In addition, funding for activities on the Peninsula itself would have been more limited. The important role that TMF has been able to play in piloting innovative approaches developed through the CAPE strategy, such as the Cape Lowlands project and the Stewardship Program, would not have been possible.

The GEF investment was the single most crucial factor resulting in the CAPE Strategy being developed. No similar bioregional program had been undertaken in South Africa and such programs were not a priority for the conservation sector. An added benefit of the GEF funding has been the replication effect in other biomes within South Africa and elsewhere.

Annex 4. Bank Inputs

(a) Missions:

Stage of Project Cycle	No. of Persons and Specialty (e.g. 2 Economists, 1 FMS, etc.)		Performance Rating	
	Month/Year	Count	Specialty	Implementation Progress
Identification/Preparation 04/1997	5	Task Team Leader (1), Environmentalist; (1) Environmental Economist; (1) Ecologist; (1) Financial Management Expert; (1) Sociologist/Anthropologist		
Appraisal/Negotiation 09/1997-10/1997	4	Task Team Leader (1) Environmentalist; (1) Environmental Economist; Counsel; (1) Financial Management Expert; (1)		
Supervision				
04/1999	1	Task Team Leader	S	S
10/1999	4	Task Team Leader ; SR. Fin. Mgmt Spec. ; Gef Regional. ; Operations Analyst	S	S
05/2000	2	Task Team Leader ; Sr. Env. Specialist	S	S
10/2000	6	Task Team Leader; Project Ass. ; Finan. Ass. Mgmt. ; Sr. Finan. Mgmt. Specialist; Conservation , Sr. Env. Specialist	S	HS
04//2001	3	Task Team Leader ; Sr.Mgmt Finan. Spec. ;Sr. Env. Spec.	S	HS
10/2001	2	Task Team Leader ; Sr. Env. Spec.	HS	HS
05/2002	4	Task Team Leader ; Fin. Mgmt ; Overill Support , Environment Consultant	HS	HS
12/2002	3	Task Team Leader , Environment Consultant, Actuarial Specialist	HS	HS
04/2003	2	Task Team Leader , Environment Consultant	S	S
11/2003	2	Task Team Leader, Environment Consultant	S	S
02/2004	2	Task Team Leader, Environment Consultant	S	S
11/2004	2	Task Team Leader , Environment Consultant	S	S

ICR	01/2006	2	Lead Operations Officer. (1); Consultant (1)	HS	HS
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(b) Staff:

Stage of Project Cycle	Actual/Latest Estimate	
	No. Staff weeks	US\$ ('000)
Identification/Preparation	13.2	79
Appraisal/Negotiation	42.8	230
Supervision	52.6	289
ICR	2.6	31
Total	111.2	629

Annex 5. Ratings for Achievement of Objectives/Outputs of Components

(H=High, SU=Substantial, M=Modest, N=Negligible, NA=Not Applicable)

	<u>Rating</u>				
<input checked="" type="checkbox"/> <i>Macro policies</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA
<input checked="" type="checkbox"/> <i>Sector Policies</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Physical</i>	<input type="radio"/> H	<input checked="" type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Financial</i>	<input type="radio"/> H	<input checked="" type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Institutional Development</i>	<input type="radio"/> H	<input checked="" type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Environmental</i>	<input checked="" type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA

Social

<input checked="" type="checkbox"/> <i>Poverty Reduction</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA
<input checked="" type="checkbox"/> <i>Gender</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input checked="" type="radio"/> NA
<input type="checkbox"/> <i>Other (Please specify)</i>	<input type="radio"/> H	<input type="radio"/> SU	<input type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Private sector development</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Public sector management</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA
<input checked="" type="checkbox"/> <i>Other (Please specify)</i>	<input type="radio"/> H	<input type="radio"/> SU	<input checked="" type="radio"/> M	<input type="radio"/> N	<input type="radio"/> NA

Community Partnership

Conservation activities of the Table Mountain National Park have strong links to the local community given its urban setting. Community leaders are represented in the Park Forum which meets with the Management of the TMNP on a quarterly basis.

Annex 6. Ratings of Bank and Borrower Performance

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HU=Highly Unsatisfactory)

6.1 Bank performance

Rating

- | | | | | |
|---|--------------------------|------------------------------------|-------------------------|--------------------------|
| <input checked="" type="checkbox"/> Lending | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Supervision | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Overall | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |

6.2 Borrower performance

Rating

- | | | | | |
|---|-------------------------------------|------------------------------------|-------------------------|--------------------------|
| <input checked="" type="checkbox"/> Preparation | <input checked="" type="radio"/> HS | <input type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Government implementation performance | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Implementation agency performance | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |
| <input checked="" type="checkbox"/> Overall | <input type="radio"/> HS | <input checked="" type="radio"/> S | <input type="radio"/> U | <input type="radio"/> HU |

Annex 7. List of Supporting Documents

The following documents, reports and papers were produced during project implementation:

Table Mountain National Park

Cape Peninsula National Park: *Management Policy*, 2000.

Cape Peninsula National Park: *Strategic Management Plan*, 2000 – 2004.

Clark, BM, *A new marine park for the Cape Peninsula*, Cape Peninsula National Park, February 2001.

Davies, S, Fortuin, H and Lochner, P, *Review of the Strategic Management Plan of the Table Mountain National Park (2001-2004)*, CSIR Environmentek, Stellenbosch, 2005.

Forsyth, GG et al, *A Fire Management Plan for the Cape Peninsula National Park*. CSIR Environmentek, December 2000.

Forsyth, GG and Bridgett, J, *Table Mountain National Park Fire Management Plan*. CSIR Environmentek, May 2004.

Standish, B et al, *The Economic Contribution of the Table Mountain National Park*, Graduate School of Business, University of Cape Town, October 2004.

Setplan, *Managing the CPPNE: A strategy for land consolidation*, Cape Peninsula National Park, Ukuvuka, City of Cape Town, WWF-SA and Park Committee, December 2001.

Table Mountain National Park: Integrated Environmental Management System materials.

Table Mountain National Park: *Teachers' Resource Pack* (5 documents)

Table Mountain National Park: *Footpath Construction Manual*, 2001.

Table Mountain National Park: Information Brochures

Table Mountain Fund:

Cowling, R, *Evaluation of the Table Mountain Fund*. Terrestrial Ecology Research Unit, University of Port Elizabeth, September 2000

Laros, M, *An evaluation of the Table Mountain Fund: January 1998 to June 2000*. CommonGround Consulting, September 2000.

Myrdal, B, *Review of the First Five Years of Table Mountain Fund*. 2003.

Table Mountain Fund Strategic Plan: March 2005 – March 2010

Wood, J, *The Table Mountain Fund: Programme Update*. March 2005.

Minutes of Strategic Planning Workshops in George, Port Elizabeth and Cape Town, May 2004.

Questionnaire to Current TMF Project Executants

Annual Financial Reports to the Trustees

Annual Program Portfolio World Bank, February 1998, Project Document -GEF- South Africa-Cape Peninsula Biodiversity Conservation Project

Cowling, R, *Evaluation of the Table Mountain Fund*. Terrestrial Ecology Research Unit, University of Port Elizabeth, September 2000

Laros, M, *An evaluation of the Table Mountain Fund: January 1998 to June 2000*. CommonGround Consulting, September 2000.

Myrdal, B, *Review of the First Five Years of Table Mountain Fund*. 2003.

Table Mountain Fund Strategic Plan: March 2005 – March 2010

Wood, J, *The Table Mountain Fund: Programme Update*. March 2005.

Minutes of Strategic Planning Workshops in George, Port Elizabeth and Cape Town, May 2004.

Questionnaire to Current TMF Project Executants

Annual Financial Reports to the Trustees

Annual Program Portfolio

Cape Action Plan for the Environment (CAPE Strategy):

Boshoff, AF and Kerley, GIH 1999. *Conservation planning in the Cape Floristic Region: Distribution, conservation status and spatial population requirements of the medium- to large sized mammals*. In: Terrestrial Ecology Research Unit, University of Port Elizabeth. Report No 26. pp 141. Prepared for WWF-SA

Boshoff, AF, Cowling, RM and Kerley GIH (2000). *The Baviaanskloof Conservation Area. A conservation and development priority*. Terrestrial Ecological Research Unit. Report No. 27. University of Port Elizabeth.

Baard EHW, Branch WR, Channing AC, De Villiers AL, Le Roux A, and Mouton, PleFN, 1999. *A review of the amphibians and reptiles of the Cape Floristic Region as indicators of centers of biodiversity, sensitive habitats and sites of special interest*. Western Cape Nature Conservation Board, Stellenbosch. Prepared for WWF-SA.

Cole NS, Lombard AT, Cowling RM, Euston-Brown D, Richardson DM and Heijnis CE, 2000. *Framework for a conservation plan for the Agulhas Plain, Cape Floristic Region, South Africa*. IPC Report 0001 prepared for WWF-SA.

Cowling RM, Pressey RL, Lombard AT, Heijnis CE, Richardson DM and Cole N, 1999. *Framework for a conservation plan for the Cape Floristic Region*. IPC Report 9902 prepared for WWF-SA.

Cowling, RM and Pressey, RL guest eds. *Conservation Planning in the Cape Floristic Region, South Africa*. Special Issue, Biological Conservation, Vol. 112 nos 1-2 July- August 2003.

Cowling RM and Heijnis CE. *Broad Habitat Units as biodiversity entities for conservation planning in the Cape Floristic Region*. South African Journal of Botany.

CSIR, 1999. *Cape Action Plan for the Environment: An assessment and review of the current policy, legal, institutional, socio-economic and financial situation affecting the conservation of biodiversity in the Cape Floristic Kingdom. Parts 1 and 2*. CSIR Report No.: ENV-S-C 99130 A. Prepared for WWF-SA.

CSIR, 2000. *Cape Action Plan for the Environment: Strategy*. CSIR Report No.: ENV-S-C 99130 B. Prepared for WWF-SA.

CSIR, 2000. *Cape Action Plan for the Environment: Report on the Strategy Development Workshop held from 16-18 February 2000* CSIR Report No.: ENV-S-C 99130 C. Prepared for WWF-SA.

CSIR, 2000. *Cape Action Plan for the Environment: Implementation Programme Report*. CSIR Report No.: ENV-S-C 99130 D. Prepared for WWF-SA.

CSIR, 2000. *Cape Action Plan for the Environment: Independently Submitted Projects Report*. CSIR Report No.: ENV-S-C 99130 E. Prepared for WWF-SA.

Fowkes, S. 1999 *Public Involvement Programme for Phase 1: Situation Assessment and Review*. Prepared for WWF-SA.

Griffiths C and Prochazka K. 2000. *Cape Action Plan for the Environment: Final report of the Marine Component*. Zoology Department & Marine Biology Research Institute, University of Cape Town. Prepared for WWF-SA

Impson ND, Bills IR, Cambray JA and Le Roux A, 1999. *The primary freshwater fishes of the Cape Floristic Region: conservation needs for a unique and highly threatened fauna*. Western Cape Nature Conservation Board. Prepared for WWF-SA.

Jones G, van Nieuwenhuizen GDP and Day JA. July 2000. *Cape Action Plan for the Environment: Selecting priority wetlands for conservation: The Agulhas Plain as a case study*. Freshwater Research Unit, Zoology Department, University of Cape Town. Prepared for WWF-SA.

Pressey, R and Cowling, RM, eds. *Special Issue of Biological Conservation*, Vol. 112, Nos. 1 – 2, July – August 2003, 2001

Prochazka K and Griffiths C, 2000. *Cape Action Plan for the Environment: Final report of the Estuarine Component*. Zoology Department & Marine Biology Research Institute, University of Cape Town. Prepared for WWF-SA.

Lloyd JW, van den Berg EC and van Wyk E, 1999. CAPE Project: *The mapping of threats to biodiversity in the Cape Floristic Region with the aid of remote sensing and Geographic Information Systems*. Report GW/A1999/54. Agricultural Research Council: Institute for Soil, Climate and Water. Prepared for WWF-SA.

Pierce, SM, Cowling, RM, Sandwith, T and MacKinnon, K, eds. 2002. *Mainstreaming Biodiversity in Development: Case Studies from South Africa*, World Bank Environment Department.

Van Nieuwenhuizen GDP and Day, JA eds. July 2000. *Cape Action Plan for the Environment: The conservation of freshwater ecosystems in the Cape Floral Kingdom*. Freshwater Research Unit, Zoology Department, University of Cape Town. Prepared for WWF-SA.

Younge, A. and Ashwell, A. 2000. *Cape Action Plan for the Environment: A Biodiversity Action Plan for the Cape Floral Kingdom*. WWF-South Africa, Stellenbosch.

Younge, A. *An ecoregional approach to conservation in the Cape Floral Kingdom, South Africa in Biodiversity, Sustainability and Human Communities: Protecting beyond the Protected*, Cambridge University Press 2002.

Additional Annex 8. Summary of Borrower Implementation Completion Reports

Table Mountain National Park

The objective for this component was to “rehabilitate and maintain indigenous terrestrial flora and fauna on the Cape Peninsula and marine conservation in immediately surrounding areas”. The original GEF funding of US\$6.3 million was designed to kick-start the establishment of the Table Mountain National Park. The TMNP, located in the centre of the Cape Town metropolitan area (a city of 3.5 million people) is an open-access park, surrounded by both poor and wealthy communities.

Although only seven years old, the Park is now a fully-fledged operation, the second most profitable of all parks run by SANParks. Annual park revenue from admissions is now at \$8.6 million annually, \$6.8 million of which funds the annual operating budget of the Park, and \$1.8 million reverting to the SANParks. In 2004, 1.5 million paying visitors entered the Park at controlled gateways. Long-term operating costs have been lowered through investment into removal of alien invasive species, erosion control (through footpath rehabilitation), and wildfire management. A study in 2004 (Standish, B. et al, *The Economic Contribution of the Table Mountain National Park*, Graduate School of Business, University of Cape Town, October 2004) found that the Park has had a significant macro-economic effect on Cape Town, the Western Cape and South Africa.

Eighty-three percent of the preferred Park area (25,000 ha) is now under SANParks conservation management, land purchase being funded by grants from the TMF, the City of Cape Town and SANParks. A number of incentives are in place to support further contracting-in of private land, including a City Council rates exemption to private landowners.

The bulk (85%) of woody seed-bearing alien invasive plants in the Park has been cleared. The initial target was found to be unrealistically high for a new Park with unforeseen demands and limited capacity, and was revised to a more realistic 85% of invasive alien seed-bearing plants removed by year 7, which was met; all cleared areas are in follow-up maintenance. SANParks is committed to clearing the remaining portion with GoSA funding in the near future, and to sustaining follow-up clearing in the long term. No extinction of tracked rare and endangered plant species has occurred; in areas cleared of alien invasive plants 3 endangered plant species (one protea and two ericas) have expanded their range and numbers; increased raptor breeding activity has been noted; and 54 klipspringers have been reintroduced to the Park in 2004-5 after eradication of the Himalayan Tahrs.

Park environmental education and outreach programs involve 24,000 visits by local schoolchildren per year. 500 teachers have been trained, and the GEF-funded environmental education resource pack has been distributed to over 100 schools, and mainstreamed into the curriculum and in-service teacher training by the Department of Education. Three environmental education centres have been renovated and refurbished, serving as interpretive and visitor centres supported by trained volunteers; one also operates as an overnight and weekend facility for school groups, and another as a tourist interpretation and overnight facility for the Hoerikwaggo Trail. The planned upgrade of a fourth to enable overnight use was not proceeded with due to stakeholder concerns. Twelve interpretive brochures have been produced and made available at visitor centres and formal Park gateways. Interpretive posters and displays have been erected at key locations. Volunteers have been trained and are active in staffing visitor centres, assisting with other visitor activities and fundraising.

A Fire Management Plan conforming to the National Veld and Forest Fire Act 101 of 1998 sets out procedures for managing wildfires and prescribed (controlled) burning. A Fire Risk Map identifies

vegetation at different levels of wildfire risk. The Park maintains one standby helicopter on contract during fire seasons, and works in partnership with the City of Cape Town, the Provincial Government, volunteers and the Working on Fire Program, to provide additional fire management services. Levels of fire-preparedness are significantly higher than at project inception and fire services are much better organised, and fire damage to private property outside the Park now only occurs where landowners have not cleared their land of alien invasive tree species.

The original target of rehabilitating 37 footpaths was reduced to 14, by project end, 19 footpaths were completed (i.e. 87 km of a total of 660 km) and a further 250 km are programmed for rehabilitation with GoSA over the next three years. GEF funding also provided for the rehabilitation of a small number of key access points and planning for the upgrade of a further 30 access points. Initial targets for access points were reduced primarily as a result of agreement by GoSA to provide \$5 million over three years to fund tourism infrastructure upgrade including minor access points and footpath rehabilitation. Surplus GEF project funding was redirected to the alien-clearing program. The training and capacity building targets for the project were met and exceeded, including the ongoing outsourcing of 50% of conservation work contracts to community contractors and the creation of (over 400) contract labor jobs in alien vegetation clearing and footpath construction.

The Park conducts an ongoing extensive public information and communication program. The current focus is on day-to-day management issues affecting city residents, including fire management and visitor safety. A new constitution and elected representatives have revitalized the Park Forum and ensured its effective functioning. A range of community partnerships is in place, with volunteers, 'friends' groups and adjacent communities.

A marine protected area was proclaimed in 2004 and is being implemented in terms of an agreed management plan. Law-enforcement and marine environmental education functions are devolved from the Chief Directorate of Marine and Coastal Management, supported by the Marine Living Resources Fund. A number of important research studies have been and continue to be undertaken to support marine management efforts, incorporating expertise from other relevant projects.

Knowledge management and monitoring is undertaken by means of the Integrated Environmental Management System (IEMS, based on ISO 1400). This system represents South African best practice, and has served as a model for implementing environmental management systems throughout SANParks. It provides the basis for ongoing management monitoring for the Park.

Capacity to manage environmental resources has improved significantly within the Park, which also has management agreements with the City of Cape Town, the Department of Environmental Affairs and Tourism, Marine and Coastal Management, the SA National Biodiversity Institute, the Expanded Public Works Program, and the Working on Fire Program. The Park participates the TMNP-City of Cape Town Bilateral Forum, the Cape Peninsula Land Consolidation Working Group, the Cape Peninsula Fire Protection Association, and the Western Cape Department of Education and Development's forums for all seven townships around the Park.

A Strategic Management Plan guided TMNP operations in the period 2000 – 2004, and is currently being revised for the period 2006 – 2010. An independent review (*S.Davies, H.Fortuin and P.Lochner, Review of the Strategic Management Plan of the Table Mountain National Park (2001-2004), CSIR Environmentek, Stellenbosch, 2005*) of the implementation of the Park's Strategic Management Plan concluded that TMNP has been successful in establishing the foundations for sustainable management and operation of the Park

in the future.

Table Mountain Fund

The objective of this component was “to ensure rehabilitation and sustainable protection of the globally significant flora, and related fauna, of the Cape Peninsula including surrounding marine ecosystems” primarily through expanding NGO-managed community-based conservation activities in support of the TMNP and throughout the CFR.

TMF was designed as a sustainable funding source. The capital of the Trust consists of two portions, the first being \$2 million raised within South Africa by WWF-SA; (income from these funds is earmarked for the Cape Peninsula and can be used for land acquisition); the second being \$5 million provided by GEF, which can be used throughout the CFR. The Fund is now a properly functioning and financially sustainable entity. Additional resources have been mobilised, the most important being \$3 million for the purchase of the Noordhoek Kommetjie Wetlands by TMNP.

TMF’s Trust Document sets out the following objectives for TMF:

- The conservation of the biological diversity of the Cape Peninsula and its adjacent marine systems, which are of global significance.
- The conservation of the biological diversity of the remainder of the Cape Floristic Kingdom and its adjacent marine systems, which are of global significance.
- To create a capital fund, the income from which will provide an ongoing source of finance for achieving the objectives.
- The launching, maintenance and promotion of any nature conservation projects and related activities associated with the development of these objectives, including research and educational and/or other similar activities.

The current TMF goal is that by 2010, TMF will be a major sustainable fund for the implementation of C.A.P.E. Strategy in the CFR, through providing a home for conservation funds, funding projects and promoting transformation and capacity building in the conservation sector. TMF is currently the only independent sustainable funding facility supporting the implementation of C.A.P.E Strategy, is a signatory to the C.A.P.E. MoU and has played an important role in piloting innovative approaches developed through the CAPE Strategy.

Over project period, TMF has funded and managed over 60 projects – many of which are community based - amounting to \$2.5 million. This had taken place within seven focal areas: a) conservation of prioritised habitats: terrestrial, freshwater and marine ecosystems (16 projects), b) conservation of the CFR lowlands (7 projects), c) building environmental awareness (11 projects), d) controlling alien invasives and restoring biodiversity (6 projects), e) applied research (18 projects), f) enhancing the global conservation status of the CFR (2 projects), and g) capacity building 1 project. TMF works on the principle that a small amount of funding can catalyse significant outcomes through appropriate co-funding and project partnerships. This also leverages stakeholder commitment and supports sustainability.

Stakeholder consultation throughout the six years has been critical to the strategic direction that TMF has taken and will take in the future, and has included a workshop held in 1999 to define TMF’s strategy, an evaluation workshop in 2000, and a series of three strategic planning held 2004 in Cape Town, George and Port Elizabeth. It was noted at the 2004 strategy workshops that monitoring and evaluation of TMF and its projects needs to be formally set up.

Financial management and administration of the trust have been contracted to WWF-SA. WWF-SA is also represented on the Board of Trustees. TMF uses the existing WWF-SA system of project application, peer review, project approval process, project payment tracking and contract management. Projects are either identified and developed with the project executant or received as unsolicited.

A review of TMF investments was undertaken in 2003 and with the assistance of an independent professional consultant provided by the Bank. Following this, a decision was made to spread both the South African and the offshore components over several unit trusts with a 50/50 split between equity and bonds offshore and a 50/40/10 split (equities/bonds/cash) in South Africa. As a result of weak performance on the equity markets in general (both in South Africa and abroad) as the substantial strengthening of the Rand against the major currencies in recent years, it has not been possible to give effect to the original strategy of disbursing 7.5% of adjusted capital annually. South African inflation has decreased from double figures in 1998 to about 5% at present. Following the review carried out in 2003 it was also decided that in the current economic climate a 7.5% disbursement over and above inflation was unrealistic and the trustees have decided to base future disbursement targets at 5% instead.

The Fund's governance structure was amended in 2004, from membership based on institutional representation (other than from WWF-SA), to membership by individuals. This resulted from the collapse of the original TMNP Park Committee, which had two representatives on the Trust. Difficulties arose in determining which agencies should have representation on the Trust, given the extent of the stakeholder community in the CFR, and the alternative of basing trust membership on individuals was preferred.

CAPE Strategy

The objectives of the CAPE Strategy and Action Plan were twofold: to develop a long-term strategy to ensure the conservation of the CFR and adjoining marine ecosystems; and to prepare a 5-year investment program focused on first priorities within the strategy to be presented to financial agencies, private and public, national and international, including GEF.

This component was undertaken over two years (1998-2000) in three phases: stocktaking and analysis, strategy development, and implementation programming (action planning). The strategy combined intensive multi-disciplinary stakeholder involvement with an innovative scientific approach to regional conservation planning, which established clear targets for conserving a representative sample of biodiversity patterns and ecological processes at landscape scale. Strong emphasis was placed on building partnerships between executing agencies, non-governmental organizations, research institutes and the private sector from the outset, in order to create commitment to implementation and ensure long-term social sustainability to match the efforts towards ecological sustainability.

The component was successful in integrating the work of biological and social scientists in an effective strategy; conducting a regional-scale participatory process which created partnerships, buy-in and commitment to implementation; developing conservation approaches that delivered economic benefits to disadvantaged constituencies; meaningfully tackling the underlying causes of biodiversity loss; ensuring the sustainability of the implementation programme; and mainstreaming implementation by supporting institutional development. Management of conservation in the CFR has benefited from significant improvements in co-ordination between agencies, through the institutional partnerships created to co-ordinate and manage the implementation of the CAPE Strategy.

Domestic in-kind contributions to the CAPE Strategy during project implementation and in support of the post-strategy transition period were estimated at \$0.43, nearly five times the PAD target. Further foreign

co-financing (\$0.46 million) for the transition was raised from WWF-US, Conservation International South Africa, Fauna and Flora International, and EarthVoice/Humane Society. The strategy is now in implementation, having leveraged significant financial support (over \$60 million, including two GEF projects: Cape Action Plan for the Environment: Implementation Program (Grant No. TF053225 for \$9 million) and the UNDP/GEF funded Agulhas Biodiversity Initiative (Project ID 1055) (\$3.23 million), \$6 million from CEPF and \$45 million from domestic sources).

The CAPE Strategy is acknowledged globally as one of the most advanced and innovative of bioregional conservation initiatives. The project represented a first serious attempt to apply the CBD ecosystem approach to conservation, and catalysed a paradigm shift from species-based and “in-park” conservation management approaches to landscape-level conservation strategies and activities across the country. The scientific approach adopted by CAPE, the first of its kind in the world, pioneered a new way of identifying biodiversity priorities. Both the National Spatial Biodiversity Assessment (2004) and the National Biodiversity Strategy and Action Plan (2005) incorporated insights and lessons from the project, as did other ecoregional/bioregional programs in South Africa in the Succulent Karoo, the Subtropical Thicket, KwaZulu-Natal, the Wild Coast and the Grasslands. The project provided a springboard for the recently established SA National Biodiversity Institute (SANBI) to establish a directorate of Bioregional Planning and Programs. The CAPE strategy and its implementation have also influenced landscape and bioregional planning in a number of other parts of the world, including the the Eastern African Marine Ecoregion (Kenya, Tanzania and Mozambique), the Central Annamites (Vietnam), an Eastern Africa Coastal Forests, as well as seven dryland ecoregional programs of WWF.

