

CEPF FINAL PROJECT COMPLETION REPORT

Organization Legal Name:	African Conservation Trust
Project Title:	Securing the Provision of Ecosystem Services in the Greater Itala Complex
GEM ID	CEPOF 64000
Date of Report:	30/10/15
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CEPF Region: Maputaland-Pondoland-Albany Biodiversity Hotspot

Strategic Direction: 3. Maintain and restore ecosystem function and integrity in the Highland Grasslands and Pondoland corridors.

Grant Amount: \$79196

Project Dates: 1/1/14 – 30/9/15

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

Ezemvelo KZN Wildlife. The Ithala Park Manager, Pete Ruinard and the Park Ecologist, Chris Barichievy formed a strong team with the ACT staff. There early part of this project involved intense planning and strategy particularly to deal with issues and threats with very different timelines. This team work was invaluable and out of it we developed the plan as to how we would entrench ecosystem services within planning systems. More particularly the idea to address the difficulty of multiple timeline by splitting thr projects emphases into the interim elephant excursion plan, the long term sustainability plan and the mistbelt grassland strategy, came out of these discussuions. Chris Barichievy was replaced by Rickert Van Der Westhuizen who continued support. Beyond the planning and problem solving, Ezemvelo KZN Wildlife provided a base for ACT operations throughout the project, assisted in introducing the plans to the local community governance structure, contributed to funding the post CEPF components of the project. We could not have got better support.

Conservation Impacts

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

Note: The spelling of Ithala/Itala and the term Greater Ithala Complex come from different prioritization systems associated with differing PA expansion priorities. The landscape corridors exhibit a botanical emphasis whilst the local strategizing emphasizes rhino and elephant conservation. This project report uses the spelling “Ithala” and acknowledges both faunal and floral priorities. Within the project period the Greater Ithala Complex became synonymous with the core area of Ithala Game Reserve, the neighbouring town of Louwsburg and the nine communities that surround the core area. These constitute about 4200 homesteads and approximately 26000 people.

The Greater Ithala Complex is a KBA for its own biodiversity value as well as its significance within the highland grassland corridor. What became apparent during the project was that the core of Ithala Game Reserve was under more threat than had previously been anticipated because the unfenced northern boundary could result in the authorities being forced to fence the Pongola River out of the conservation area, reducing the area available for rhino and elephant in particular. The knock on effect of this would have placed the future of the protected area in jeopardy. Planners within the formal governance structures and the conservation agency were already preparing for this eventuality. Separating the elephant excursion issue from the socioeconomic and environmental sustainability of the Greater Ithala Complex allowed these two issues to be addressed within their very different timelines. This has resulted in renewed confidence within the conservation agency and the communities that an expanded conservation area could be the most appropriate land use for ecosystem service delivery, sustainable communities as well as biodiversity conservation.

Please summarize the overall results/impact of your project.

1. **The Preliminary Ecosystems Services Report**, whilst not revealing anything startling, provided insight into the geographical distribution of users and this in turn led to an understanding of how to generate long term economic investment in the area. The study provided more detailed knowledge as to how many people live within the project area and this too provided insight into developing strategies towards “sustainable communities”. The combination of these investigations raised questions about the applicability of PES (in its original definition) as an appropriate tool. Further investigation confirmed its limited applicability (see section Component 3 Actual, below). This realization was a positive result that allowed the project team to focus on other possibilities.
2. **Interim Elephant Excursion Plan**. Analysis of habitat preference for both black and white rhino revealed the importance of the Pongola flood plane to these species as well as many others. With rhino as the defined number 1 conservation priority for Ithala Game Reserve, the significance of the unfenced northern boundary came into sharp relief at the start of the project; the seven communities north of the Pongola River had lost faith in the historic expansion plan and were openly voicing opposition to it. The two communities who own Ithala Game Reserve were similarly skeptical. Scrutiny of the previous protected area expansion plans showed that failure had been caused by a combination of funding constraints, the absence of grass roots community engagement, unrealistic expectations and poor business models. Regulations pertaining to the management of elephant, buffalo and rhino were all pointing to the fact that, in the absence of an expansion plan, a fence would need to be constructed to exclude the Pongola River from the reserve. Whilst water points could be provided for animals to drink, the loss of such significant habitat would greatly reduce the carrying capacity of black rhino, white rhino and elephant. From a rhino perspective this would affect the reserves status as a donor population and from an elephant perspective, the population would need to be reduced from 150 animals to about 70 individuals. Ezemvelo KZN Wildlife were obliged to resolve the issue within the current 5-year policy cycle which, in the absence of any support for protected area expansion, would involve exclusion of the Pongola River and dead removals of elephants. The mechanisms to achieve this within the constraints of the Elephant Norms and Standards was in no way clear and it put the elephant contraception program in jeopardy because it was funded by those wishing to avoid dead removals. With ecological viability being dependant on an expanded Ithala and this possibility seeming unlikely, the economic prospects for the reserve and therefore its future were hanging in the balance. As a community owned reserve, it was a matter of time before the land owners started investigating other options for the area. Unofficial reports indicated that this was already the case. This would not only be disastrous for the northern area of rhino and elephant habitat but for the highland grassland area to the south. Addressing the northern boundary issue became a primary and immediate concern for the project.

The project team approached this problem by separating the long term sustainability component (which acknowledged the past failures of to the old PA Expansion plans and would address the issue slowly and collaboratively) from the immediate issue of elephant excursions. A new elephant excursion plan was devised (see Elephant Excursion Plan, to follow) which had the following attributes:

- a. It would constrain elephants from reaching human inhabited areas through the construction of an appropriate fence
- b. It would give elephants access to habitat on the northern side of the Pongola River at the discretion of the communities.
- c. It would provide employment for the construction and maintenance of the fence.
- d. It supports and confirms community land tenure rather than diminishing or undermining it and it provides opportunities for communities to actively participate in conservation management determine their own levels of commitment.

Within the project period, the interim elephant excursion plan received:

- approval from the Ithala landowners who are to assist with the acceptance and implementation of the plan starting in 2016,
- approval from the executive and planning divisions of Ezemvelo KZN Wildlife,
- approval from the WWF Black Rhino Range Expansion Project
- and commitment from the Humane Society International to partner in funding the construction and maintenance of the fence. (see HSI –ACT MOA to follow)

The next phase (after this project period) will involve getting grass roots support for the project and determining boundaries. Money has been raised to fund two new social ecologist positions to complete this work in 2016 and 2017.

3. **Greater Ithala Complex Economic Sustainability Plan.** Written in conjunction with the Ecosystem Services Report, the Greater Ithala Complex Economic Sustainability Plan effectively replaced what was to be the PES Plan (as described in the proposal). This plan looks at potential funding streams within the Greater Ithala Complex and then seeks to bring in external partners (in the case of long term relationships) or sponsors (in the case of follow on projects) to support these funding streams. These included:
 - a. Ecotourism
 - b. Hunting determined by ecologically determined off-takes of (not trophy hunting)
 - c. Ecological agriculture
 - d. High density grazing and communal cattle farming
 - e. Environmental education and experiential learning
 - f. Humanitarian intervention for elephant and rhino conservation

The Kenchaan Foundation (Holland) has been brought in as a project partner (The MOA is being drafted and should be signed by the end of November 2015). The development of strong local economies is central to this plan and the Foundation for Natural Leadership is also being included as a partner to assist in this regard. Meetings have been arranged after the project period (in November 2015) and the outcomes of these should solidify commitment, timelines and deliverables.

4. **Inclusion of Ecosystem Services within Planning Systems.** The Preliminary Ecosystems Services Report not only shows what services are significant to local communities but also which services have wider appreciation. This is useful in indicating where local and international partners exhibit interest and induced the Humane Society International, the Kenchaan Foundation and the Foundation for Natural Leadership to become actively involved in the sustainability of the Greater Ithala Complex. The plan to utilize the Greater Ithala Complex as a “sustainability hub” case study (Kenchaan Foundation) makes planners amenable to link “sustainability” and “ecosystem services” within planning strategies. The combination of the Interim Elephant Excursion Plan, the Preliminary Ecosystems Services Report and the Economic Sustainability Plan has changed the view that Ithala’s expansion had failed and revived it as a viable option to be

included within future plans. This thinking is being included in planning structures including that of the land owning communities and the Ezemvelo KZN Wildlife executive and planning departments. Meetings with the local and district municipalities are set for November 2015. Information to follow.

5. **Perception.** The CEPF investment has shifted perception from failure to optimism and brought in outside partners who will continue the process; it has started a snowball rolling.

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

1. Through the recognition of the ecosystem services, the value of mist-belt grasslands and river catchments will result in improved land-use outside protected areas; this will be reflected within municipal Integrated Development Plans.
2. Through the recognition of the ecosystem services, areas of critical ecological importance will be recognised by formal structures and included within a stewardship program.

Actual Progress toward Long-term Impacts at Completion:

The expansion of the Ithala Game Reserve, improved land use and stewardship was not a new idea thought up within this project. On the contrary, this project was initiated because two previous attempts to achieve protected area expansion had spectacularly failed for three reasons:

- The thinking behind the planning was flawed in that its motivation was focused on biodiversity benefits alone and ignored the concept that an expanded Ithala with hostile neighbours surmounts to jumping out of the frying pan into the fire.
- The involvement of the landowners and community members was cosmetic, where a pre-ordained desk top plan was to be rolled out on to compliant recipients
- The economic model for the plans involved extensive donor funding and few tangible benefits to accompany the perceived loss of land tenure.

By viewing social and environmental issues through the lenses of ecosystem services, this project has resulted in a trajectory that is not dependant on a large injection of donor funding and receives broad range acceptance based on community and environmental sustainability. As such, additional conservation and stewardship become attainable targets

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

1. The adoption ecosystem services as a primary factor determining social, economic and conservation planning within the Greater Itala Complex.
2. The adoption and ongoing development and management of a Payment for Ecosystem Services (PES) plan that will focus decision makers towards conservation management and channel economic resources accordingly

Actual Progress toward Short-term Impacts at Completion:

1. The ecosystems services report was initiated at the beginning of the project and was updated throughout the project period with successive iterations being motivated by:
 - a. Increasing knowledge of the project area – where to “draw the boundaries” of the Greater Ithala Complex.
 - b. Increasing knowledge of the demographics

- c. Clearer ideas of realistic funding mechanisms (fueled by decreasing confidence in a pure PES approach and a shift towards building strategic partnerships based on mutual self interest)

These concepts have already been included within the conservation management planning process for the Greater Ithala Complex and collaboration with the district and local municipalities is ongoing. The next round of meetings with the municipal structures are due to take place beyond the project period in November 2015.

Please provide the following information where relevant:

Hectares Protected: This will be a significant long term indicator – 3years +

Species Conserved: Through the formulation of an interim and long term plan that has been accepted by the land owning communities and the Ezemvelo KZN Wildlife executive the following species have additional security: Barberton Protea (*Protea comptonii*), the Lebombo Cycad (*Encephalartos lebomboensis*), the Pepper-bark Tree (*Warbergia salutaris*), black rhinoceros (*Diceros bicornis*), white rhinoceros (*Ceratotherium simum*) and elephant (*Loxodonta africana*)

Corridors Created: developed the plan to conserve the northern end of the highland grassland corridor

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

The main challenge within this project was that the ecological integrity of the core Ithala Game Reserve was dependant on expanding the area, primarily for elephant conservation but also rhino. In terms of legislation and elephant norms and standards the allowed timeline to resolve issues of boundaries and acceptable densities was five years. But the social issues around community sustainability and land use planning were likely to be protracted, not only because of the complexity of these issues but also because of the historic distrust between conservation bodies and local communities. This was addressed by distilling the short term elephant excursion and density issue away from the long term sustainability /land-use planning issue. (see point 2 under the results section, above)

Were there any unexpected impacts (positive or negative)?

No

Project Components

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

Component 1 Planned: Stakeholder Engagement

- 1.1. Engagement with stakeholders and local communities.
- 1.2. Initiation of a communication network within the project area

Component 1 Actual at Completion:

- 1.1. Engagement with stakeholders was initiated with all 9 Traditional areas around the Greater Ithala Complex with ACT staff being represented at the Pongola Catchment Management Forum, the Ithala Game Reserve Co-Management Forum, the Ithala Game Reserve Local Board (new) and the Municipalities.
- 1.2. The sensitivity required to engage with traditional leaders and communities in this project area has resulted in ACT acquiring funding to take on more specialized social ecologists both of which have started after the end of the CEPF project period. The formation of the communication network has been delayed to allow the new staff to conduct this work (See Performance Tracking Tool for the previous reporting period Jan –Jun 2015).

Component 2 Planned: Ecosystem services assessment

- 2.1 A compilation of a list of ecosystem services within the Greater Itala Complex
- 2.2 Assessment of existing information on ecosystem services in the Greater Itala Complex
- 2.3 Assessment of community reliance on ecosystem services
- 2.4 Assessment of ecosystem services that have regional, national or international significance
- 2.5 Assessment of biodiversity priorities
- 2.6 Initial version of a dynamic ecosystem services report for the greater Itala Complex

Component 2 Actual at Completion:

- 2.1. A list of ecosystem services was compiled for the Greater Itala Complex
- 2.2. The 2009 ecosystem service report was reviewed.
- 2.3. The assessment of community reliance on ecosystem services was conducted through field research and analysis of existing and historic data for the project area.
- 2.4. Assessment of geographical significance of ecosystem services was conducted.
- 2.5. A revision of park management priorities and landscape corridor data revealed discrepancies between botanical and faunal priorities. This affected land use prioritization and desired PA expansion possibilities that affected the desired boundaries of a Greater Ithala Complex.
- 2.6. Initial version of a dynamic ecosystem services report for the greater Itala Complex has been generated (to be forwarded)

Component 3 Planned: Payment for ecosystem services plan

- 1.1 A report outlining environmental legislation and regulations that support ecosystem services.
- 1.2 The production of a Payment for Ecosystems Services Plan that identifies and quantifies recipient and contributing partners, mechanisms for the contribution and utilization of resources (for example: money, projects, land, exchanges)
- 1.3 The submission of funding proposals for additional social/agricultural/environmental needs that relate to ecosystem services and the socio-economic sustainability that they may provide
- 1.4 The compilation of a draft land use plan that optimizes the delivery of ecosystem services and outlines protected area expansion possibilities.
- 1.5 The inclusion of the draft land-use plan within municipal and Ezemvelo KZN Wildlife planning departments and introduction of the stewardship processes for land that is allocated for conservation based land-use (this may extend beyond the project period).

Component 3 Actual at Completion:

This part of the project underwent considerable shift as investigations into the appropriateness of PES concept and term continued. The result was a dynamic working document that retained the

title “PES Plan” until its most recent iterations, where after it was renamed Ithala Economic Sustainability Plan. The subheadings for this plan (august 2015) reveal its content and the shifts from the original idea outlined in the project proposal:

Greater Ithala Complex Economic Sustainability Plan

1. Introduction
2. Background – What is PES
3. The problem with PES – willing payer/reluctant payer, transactional costs
4. Case studies; successes and failures
5. Shifts in thinking – investing in ecological infrastructure: is it more of the same?
6. Dilution or confusion: do the Extended Public Work Programs (EPWP), hunting and ecotourism constitute PES/IEI?
7. Terminology: economic sustainability vs PES
8. Expanding a sense of Community: could this reduce the reluctance to commit to economic sustainability?
9. Ithala Ecosystem Services Assessment
 - a. Collecting ecological, economic and culturally pertinent information
 - b. Community engagement and the need for preliminary surveys
 - c. The use of social learning tools in building reliable on-going ecosystem assessments.
10. Linkages to expand the “Greater Ithala Community” from a economic sustainability perspective
11. Economic sustainability and ecosystem services associated with cultural, spiritual and recreational values.
12. Economic sustainability and ecosystem services associated with biodiversity values

The working document is undergoing further refinement following meetings with international partners and municipalities in October and November.

Report to be forwarded.

Component 4 Planned: Adoption of the PES plan and links established with PES partners

- 4.1 Dissemination of the PES Plan to recipients of ecosystem services (potential payers). This would include local, regional, national and international bodies as “partners” in the PES plan.
- 4.2 Strengthened links with local partners around the PES concept.
- 4.3 Established links with international partners around the PES concept
- 4.4 Inclusion of the principles of the PES plan within the municipal IDP reviews.
- 4.5 Inclusion of the principles of the PES plan within the municipal Ezemvelo KZN Wildlife Ithala Management Plan review.
- 4.6 Drafted MOAs between international and local partners in the PES Plan (because these MOAs will involve the Ezemvelo KZN Wildlife Board, the finalizing of these will undoubtedly extend beyond the project period but we could establish agreement in principle)

Component 4 Actual at Completion:

The project team started engaging with local stakeholders and potential international partners from the outset of the project, even as we were determining the applicability of PES within the Greater Ithala Complex. These early investigations revealed issues that made us weary of pursuing the PES route as the primary long term funding mechanism:

1. The services that had economic potential were not those that are classically used in PES applications.

2. The connection between potential payers and protectors of the services were conceptually and geographically distant. This was picked up by potential payers who were aware of the risks of corruption and high transactional costs preventing benefits from reaching service protectors
3. Case studies revealed examples of service protectors receiving benefits whilst still undermining the infrastructure providing the service.
4. Language around the PES concept became very clouded, sometimes with the best of intentions (reframing payment to be defined as investments in ecological infrastructure) and at other times merging it with other forms of “client approach” economic activity, seemingly to expand the scope of what PES is, in order to show it retains validity.

The project team felt that building partnerships had real potential to create or enhance funding streams to support the sustainability of the Greater Ithala Complex but that we would use the names of those potential funding streams directly (ecotourism, EPW Programs, meat hunting, cooperative grazing, etc) and not attempt to squash them within a PES definition. So what was originally the “PES Plan” evolved into the Greater Ithala Complex Economic Sustainability Plan. This plan was co-created between the project team and three NGOs (Humane Society International, the Kenchaan Foundation and the Foundation for Natural Leadership) with four central principles:

- To create the Greater Ithala Complex as “Sustainability Hub” case study
- To establish a strong local economy within the surrounding communities that would utilize a conservation based land-use for appropriate portions of community land.
- That partnerships between the developed and developing world partners would be based on mutual self interest and should benefit both parties; there was a strong feeling among all three NGOs that sustainability would be sustained by a relationship of exchanged benefits and not one of donor/recipient. The disappointment that local leaders voiced at this amplifies the applicability of the point.
- Economic relationships between developed and developing world partners should utilize mechanisms that internalize social and environmental externalities (Circular Economics, Scharmer’s 3rd stage capitalism, etc)

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

A PES plan was not completed; in terms of what is written above, this should be viewed in a positive light, as an error averted.

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

The following documents, described in other parts of this report, are to follow this Final Report:

- Modified Elephant Excursion Plan – Confidential.
- Preliminary Ecosystem Services Report for the Greater Ithala Complex
- Greater Ithala Complex Economic Sustainability Plan (in place of the previously named PES Plan)
- MOA Humane Society International – ACT MOA
- Draft Kenchaan Foundation(NL) - ACT MOA

Lessons Learned

Describe any lessons learned during the design and implementation of the project, as well as any related to organizational development and capacity building. Consider lessons that

would inform projects designed or implemented by your organization or others, as well as lessons that might be considered by the global conservation community.

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

In the proposal writing phase ACT was persuaded to limit the scope and purpose of the project (by the grant director and RIT – against the wishes of the project leader). The advice turned out to be very valuable; this project was less about gathering vast amounts information on ecosystem services and more about using ecosystems services thinking - re-aligning the trajectory of a critical KBA from one that had clearly failed to one that could work.

Project Implementation: (aspects of the project execution that contributed to its success/shortcomings)

Getting the right staff is critical... both for the good of the people and the project.

Other lessons learned relevant to conservation community:

Additional Funding

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

Donor	Type of Funding*	Amount	Notes
ACT Co-financing	A	\$39 060	Project oversight – 12 days @ \$250 per day GIS specialist - 6 days @ \$120 per day Fundraising and proposal development - 14 days @ \$60 per day Social Ecologist -12 days a month @ \$1000/month Conservation Officer - 12 days a month @ \$1000/month Conservation agriculture specialist - 14 days @ \$60 per day Transport and travel costs – \$800 per month for 12 months
Ezemvelo KZN Wildlife co-financing	A	16500	Ithala Park Manager time 30 days @ R2000/day = \$6000 Ithala Ecologist 20 days @ R1500/day = \$3000 Base in Ithala @ R3000/month for 21 months = \$6300 Accommodation at bush lodges for site visits and workshops = \$1200
Ezemvelo KZN Wildlife – Additional funding	B	\$40500	Salaries for new social ecologists post project period = \$26000 Operational costs for new social ecologists post project period = \$6400 Renovations to Base for the next project period \$8100
Kenchaan foundation pilot trips	B	\$5000 (estimate)	Pilot trips for the inclusion of international partners

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

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

Sustainability/Replicability

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

The ideas from this project, particularly the methodology behind the Interim Elephant Excursion Plan are already being used in other Ezemvelo KZN Wildlife areas. I think the idea of the “sustainability hub has potential and as this aspect should be followed closely in the next few years.

Summarize any unplanned sustainability or replicability achieved.

The Interim Elephant Excursion Plan was an unexpected necessity but it has been the turning point for the Greater Ithala Complex.

Safeguard Policy Assessment

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

Additional Comments/Recommendations

There are some very interesting meetings that will be taking place in November 2015 pertaining to commitments from international partners, the applicability of circular economics in securing investment and the inclusion of these principles within municipal planning strategies. The outcomes of these will follow. To secure the success of these meetings, I now need to prepare for them!

Information Sharing and CEPF Policy

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

Please include your full contact details below:

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Performance Tracking Report Addendum

Project Results	Is this question relevant?	Provide your numerical response for project from inception of CEPF support to date.	Describe the principal results achieved over the project period (Attach annexes if necessary)
1. Did your project strengthen management of a protected area guided by a sustainable management plan? Please indicate number of hectares improved.	no		
2. How many hectares of new and/or expanded protected areas did your project help establish through a legal declaration or community agreement?	no		
3. Did your project strengthen biodiversity conservation and/or natural resources management inside a key biodiversity area identified in the CEPF ecosystem profile? If so, please indicate how many hectares.	yes	30000	The project re-aligned the trajectory of a critical KBA from one that had clearly failed to one that could work.
4. Did your project effectively introduce or strengthen biodiversity conservation in management practices outside protected areas? If so, please indicate how many hectares.	yes	20000	As above
5. If your project promotes the sustainable use of natural resources, how many local communities accrued tangible socioeconomic benefits? Please complete Table 1 below.	Not yet But definitely next year		

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

