1. Key development issues and rationale for Bank involvement

Botswana enjoys one of the highest rates of economic growth of any African country. Yet, despite impressive overall progress, close to a third of its population live below the poverty line, with great disparities between urban and rural and rich and poor (HIES 2004 estimates). In addition to worsening poverty, the country has one of the highest HIV infection rates in the world. Moreover, Botswana’s economy is fundamentally dependent on its natural resource base—mainly the diamond sector, followed by rangeland-dependent beef exports, and more recently an expanding wildlife-based tourism sector. The rural population is predominantly poor and heavily dependent upon natural resource-based livelihoods, which have been increasingly constrained by restrictions and conflicts related to land use and wildlife management priorities.

Botswana’s wildlife resources are extensive and globally significant (e.g., Okavango Delta, Transboundary Chobe Linyati Kwando Wetland Systems, Central Kalahari Game Reserve, Gemsbock National Park), as well as increasingly the source of economic revenue. In recent years, and as part of its efforts to mainstream sustainable natural resource management in its development planning, GOB has recognized the need to strike a balance between conservation and promoting sustainable utilisation of wildlife resources (as indicated in both Vision 2016, and NDP9: 2003/04-2008/09). Moreover, government has formulated a Community Based Strategy for Rural Development, seeking to expand rural economic activities and reduce poverty, particular through the community-Based Natural Management (CBNRM) policy, giving control of significant resources from hunting quotas and eco-tourism concessions to communities.

Despite these efforts, wildlife resources and the wetland and rangeland ecosystems that support them are increasingly threatened by conflict arising at four levels: (a) pressures from livestock grazing, arable agriculture, and human settlements intensified since Botswana secured preferential access to the lucrative EU beef market in the 1980s, leading to increasing demand for land and a policy of “fencing” for disease control in livestock, impacting wildlife habitat and
movement, as well as rangeland resources (e.g., the Kwando region along the Namibian border, the Tuba area west of the Okavango Delta, Xai Xai desert ecosystem in Ngamiland); (b) pressures arising from the emerging commercial non-consumptive and consumptive use of wildlife resources, through increasing demand and premiums for nature and wildlife-based tourism, hunting, game ranching, and sale of live animals; (c) conflict arising from wildlife spreading disease and causing damage to livestock, property, crops, or people, and affecting mostly poor rural communities around conservation and wildlife management areas, in a context of full state control and management of wildlife resources with little or no involvement of local communities; and (d) increased pressure on limited water in wetlands systems due to drought, invasive plants, fencing, expansion of human settlements, and industry often at the expense of wildlife (e.g., in the Makgadikgadi Pans region).

GOB has requested Bank assistance in developing a GEF co-financed project to strengthen conservation, sustainable use and mainstreaming of wildlife and biodiversity resources in Botswana’s economic development. The proposed project responds to government request and is fully consistent with the Bank’s Environment Strategy and regional development priorities in Southern Africa, as well as the priorities of the Bank’s Botswana Country Program which seek to promote economic diversification, as well as foster social and environmental sustainability.

2. Proposed objective(s)
The overall objective of the project is to assist the Botswana Department of Wildlife and National Parks (DWNP), in collaboration with local NGOs, Ngamiland and Chobe District governments, and key agencies, in strengthening conservation, sustainable use and mainstreaming wildlife and biodiversity in Botswana’s economic development, through policy and institutional reforms, strengthening CBNRM policy and implementation, and on-the-ground interventions in high biodiversity and conflict areas, focused on livelihood-enhancing community participation in wildlife management, conflict resolution, and monitoring and evaluation.

Performance Indicators. Achievement of project objectives will be measured by indicators in three main areas (to be refined through stakeholder consultations during project preparation phase: (i) ecologically, through securing biodiversity resources in key wetland ecosystems under threat in Northern Botswana through improved resources management and reduction of wildlife conflict; (ii) institution ally, through policy and institutional reform of the current wildlife policy and its links to Community-Based Natural Resource Management, and other development polices impacting biodiversity; and (iii) socio-economically, through the development of community based participatory management and institutional capacity that will lead to a improved livelihoods and significant reduction of wildlife conflict.

3. Preliminary description - Four main components are envisaged:
Component 1: Strengthening the Policy and Institutional Framework (estimated cost $ 6.2 Million; GEF contribution $2.0 Million). This component would finance: (a) A comprehensive policy and legal framework review impacting biodiversity; (b) Development of a National Wildlife Conflict Management Policy and Strategy grounded in broad stakeholder participation and baseline socio-ecological data; (c) Development of a biodiversity monitoring framework for communities engaged in CBNRM; (d) Development of institutional capacity for wildlife conflict
management and biodiversity conservation through: (i) strengthening the Department of Wildlife and National Parks (DWNP) technological, data collection, and human resource skill-base, as well as capacity to work more effectively in partnership with communities and local government; and (ii) strengthening capacity of other key natural resource management agencies (e.g., Land Boards, Water Boards, Ministry of Agriculture’s Departments of livestock production and animal health) to mainstream biodiversity and wildlife conflict issues in sector plans and processes; (e) Development of animal specific management strategies for elephants (whose protection has led to significant increases in their population with negative impacts on their habitat), rhinos, and endangered predators; and (f) Development of a national capacity for Strategic Environmental Assessment (SEA) of policies and programs related to biodiversity and wildlife management, including land and water management, and fencing.

Component 2. Strengthening Community-Based Natural Resource Management (estimated cost $ 7.3 Million; GEF contribution $ 3.0 Million). This component would finance: (a) Community capacity building activities in the project target sites including: (i) development of a comprehensive CBNRM Handbook, (ii) basic training for CBO boards and traditional leaders, (iii) strengthening CBO administrative structures and procedures, (iii) development of publications, training courses and workshops for CBO/communities regarding the principles of CBNRM, quota allocation processes, legal implications and rights and benefit sharing procedures; (b) Community empowerment activities aimed at influencing policy on sustainable use and conservation of biodiversity in Botswana, through information dissemination to CBOs, traditional leaders and community members in project sites to facilitate effective participation in policy dialogue formation and access/linkage to key NRM agencies and NGOs; (c) Community piloting of wildlife mitigation options and resource use approaches through the provision of small community biodiversity matching grants; and (d) Development of the capacity of Botswana Council of Non-Governmental Organizations (BOCOBONET) to: (i) provide administrative and technical support to communities for accessing CBNRM resources; and (ii) address continuing education needs and technical backstopping for CBOs/Communities and assure sustainability of project derived outputs beyond the life of the project.

Component 3. Developing a Community-Based Wildlife Conflict Management and Early Warning System Framework (estimated cost $ 21.0 Million; GEF contribution $ 1.0 Million). This component would finance: (a) Development of a GIS based community information systems including, an inventory of Traditional Knowledge Systems in wildlife conflict prevention and mitigation, patterns of wildlife conflict, community and social mapping of key wetland resources required to sustain rural livelihoods and traditional needs in Botswana’s Northern Wetlands System, and other community pertinent information; (b) Together with communities and DWNP, development of a community-driven natural resource and wildlife conflict monitoring framework with adaptive management feedback mechanisms and early warning systems, linking communities and DWNP District offices; and (c) conflict mitigation activities including animal control and fencing management, provision of equipment, boreholes and water provision for wildlife, and operating expenses for animal control activities, community compensation fund, and related extension services.

Component 4. Monitoring and Evaluation, and Project Management (estimated cost S $ 2.0 Million; GEF contribution $1.0 Million). This component would finance: (a) Incremental
capacity of project implementation partners, including financial management, procurement, and technical capacity; (b) Development of a Monitoring and Evaluation framework of project outputs and outcomes (including a communications strategy).

4. Safeguard policies that might apply
Overall, the project is expected to result in significant environmental and social benefits, because of its twin focus on (i) wildlife conflict management and biodiversity conservation, and (ii) strengthening and implementation improvements in GOB’s Community-Based Natural Resources Management (CBNRM). While the institutional and policy focus of the project will be national, on-the-ground investments supported by the project will be piloted in the northern part of the country, home to Botswana’s Northern Wetland systems (Chobe-Linyati-Kwando, Makgadikgadi Basin, and Okavango Delta). However, the main project activities in these areas would involve strengthening community-based wildlife conflict mitigation measures, community capacity to access CBNRM resources and participate in a national early warning and wildlife conflict monitoring system, and well as provide input into the policy process regarding natural resource management.

Therefore, the project is not expected to have any potential negative environmental or social impacts. At this point, only OP/BP 4.01 should be triggered. Issues related to Policies on Indigenous Peoples (OD 4.20), Involuntary Resettlement (OP 4.12), and International Waters (OP 7.50) will be thoroughly assessed during project preparation to determine whether any of these safeguard policies should be triggered.

However, because two important issues not directly related to the proposed project in Botswana, “fencing” and its impact on wildlife, and “the San or Basarwa People (“bushmen of the Kalahari”), have attracted the attention of international NGOs and other stakeholders, the project should be considered a “high risk” project for the World Bank. Moreover, there is a need to clearly communicate the expected positive role of the project and its focus. Therefore, the project would be rated “B” and would involve the preparation of a Social and Environmental Assessment and a communication strategy, through an extensive consultative process.

5. Tentative financing

<table>
<thead>
<tr>
<th>Source</th>
<th>($m.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BORROWER/RECIPIENT</td>
<td>29.5</td>
</tr>
<tr>
<td>GLOBAL ENVIRONMENT FACILITY</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>36.5</strong></td>
</tr>
</tbody>
</table>

6. Contact point
Contact: Aziz Bouzaher
Title: Lead Environmental Specialist, ESSD Cluster Leader –CD1
Tel: 27-12-431-3119 (World Bank Pretoria)
Fax: 27-12-431-3134
Email: Abouzaher@worldbank.org