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**UNCLASSIFIED**

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Washington, D. C. 20523

LAC REGIONAL

**PROJECT PAPER**

ENVIRONMENT/GLOBAL CLIMATE CHANGE:  
RIO BRAVO CONSERVATION & MANAGEMENT

AID/LAC/P-714

PROJECT NUMBER: 598-0784

**UNCLASSIFIED**

AGENCY FOR INTERNATIONAL DEVELOPMENT <b>PROJECT DATA SHEET</b>		1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete Amendment Number	DOCUMENT CODE <b>3</b>
2. COUNTRY/ENTITY LAC REGIONAL		3. PROJECT NUMBER 598-0784	
4. BUREAU/OFFICE LAC BUREAU, Office of Development Resources   <input type="checkbox"/> 05		5. PROJECT TITLE (maximum 40 characters) <input type="checkbox"/> E/GCC: Rio Bravo Conservation & Mgmt.	
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM   DD   YY 0   3   3   1   9   3		7. ESTIMATED DATE OF OBLIGATION (Under 'B', below, enter 1, 2, 3, or 4) A. Initial FY <input type="checkbox"/> 9 <input type="checkbox"/> 1   B. Quarter <input type="checkbox"/> 3   C. Final FY <input type="checkbox"/> 9 <input type="checkbox"/> 3	

8. COSTS (\$000 OR EQUIVALENT \$1 = )							
A. FUNDING SOURCE		FIRST FY <u>91</u>			LIFE OF PROJECT		
		B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID Appropriated Total							
(Grant)		( 500 )	( )	( 500 )	( 1500 )	( - )	( 1500 )
(Loan)		( - )	( )	( - )	( - )	( - )	( - )
Other U.S.	1. MAS, CMA, TNC	300		300	1850	-	1850
	2.						
Host Country							
Other Donor(s) WWLCT		100	-	100	300	-	300
TOTALS		900	-	900	3650	-	3650

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATION TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1 Grant	2 Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)	FN	742B	851	0		500		1500	
(2)									
(3)									
(4)									
TOTALS				0		500		1500	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)						11. SECONDARY PURPOSE CODE			
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)									
A. Code		ENV		PVOL		PVON			
B. Amount									

13. PROJECT PURPOSE (maximum 480 characters)  
 To protect and maintain the biological diversity of Rio Bravo, and to maintain the forest cover in perpetuity which will contribute to the slowing of global climate change.

14. SCHEDULED EVALUATIONS						15. SOURCE/ORIGIN OF GOODS AND SERVICES					
Interim		MM	YY	MM	YY	Final		MM	YY	<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (specify)	

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)

17. APPROVED BY	Signature	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION			
	Title	Date Signed	MM	DD	YY
	A.T./L.C.	06	21	91	

PROJECT AUTHORIZATION

Name of Country : LAC Regional  
Name of Project : Environment/Global Climate Change:  
Rio Bravo Conservation & Management  
Number of Project : 598-0784

1. Pursuant to Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Environment/Global Climate Change: Rio Bravo Conservation and Management project for the Latin America and Caribbean region involving planned obligations of not to exceed One Million Five Hundred Thousand United States Dollars (\$1,500,000), in grant funds ("Grant") over a two year period from date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is two years from the date of initial obligation.

2. The project will provide assistance to support the protection of a national preserve in Belize. The project activities involve the purchase and protection of the 110,000 acre Rio Bravo Conservation and Management area.

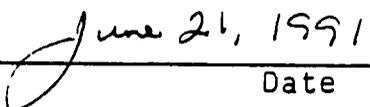
3. The Project Agreements which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

4.a. Source and Origin of Commodities, Nationality of Services:

Commodities financed by A.I.D. under the project shall have their source and origin in the United States, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities and services shall have the United States as their place of nationality, except as A.I.D. may otherwise agree in writing.

Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

  
\_\_\_\_\_  
Assistant Administrator  
Bureau for Latin America  
and the Caribbean

  
\_\_\_\_\_  
Date

Cleared:

LAC/DR/E:JHester (Draft)

LAC/DR:S Bugg (Draft)

GC/LAC:KHansen KL 4/17

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LAC/CONT:CAAdams C

LAC/DR:EBrineman JLD 6/20/91

LAC/DR:JEvans SA/B/for

SA/LAC:KHarbert

DAA/LAQ:PBloom 2/6/91 6/20/91

<sup>DR</sup>  
DAA/A Williams

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for  
A Rio Bravo Conservation and Management Project  
(598-0784)**

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Massachusetts Audubon Society

South Great Road  
Lincoln, Massachusetts 01773  
(617) 259-9500

January 11, 1991

Mr. James H. Michael  
Assistant Administrator  
Bureau for Latin America and the Caribbean  
Washington, D.C. 20523

Dear Mr. Michael,

I am pleased to present to the Agency for International Development this formal application for financial assistance with the Rio Bravo Conservation and Management Project in Belize.

We are greatly appreciative of all of the help that the AID office has provided the Massachusetts Audubon Society in the preparation of this proposal, and I trust that you will find that we have complied with the guidance provided in Director Bloom's letter of October 17, 1990. There are two notable exceptions: 1) We have not included a copy of the agreement between the Programme for Belize and the Government of Belize (although the Government of Belize has given its approval) because it hasn't yet been formalized with a signing; this is expected to take place next Wednesday, January 16, 1991, and 2) the existing Memorandum of Association of the Programme for Belize is outdated, and will be revised at the upcoming Board meeting next week. I will send copies of both documents to Washington on January 22nd.

Please be assured that if you need further information we will respond immediately.

Sincerely,

James Baird  
Vice President for  
Special Projects

JB/mam  
encs.

001515-CAE

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OPERATIONAL PROGRAM GRANT PROPOSAL

PROPOSAL TO: United States Agency for International Development  
State Department  
Washington, D.C.

PROJECT TITLE: Programme for Belize

TOTAL OPG REQUEST: 1.5 Million Dollars (\$1,500,000)

PROJECT LOCATION: Belize, Central America

PVO NAME & LOCATION: Massachusetts Audubon Society  
South Great Road  
Lincoln, MA 01773

CENTRAL HEADQUARTERS: same

CONTACT PERSON: Dr. Gerard A. Bertrand, President

ORIGINAL DATE OF SUBMISSION TO AID: June 4, 1990

REVISED SUBMISSION: January 11, 1991

A. Project Purpose and Description

The project application requests support to partially fund the purchase of 110,000 acres of largely undisturbed forest in the northwest corner of Belize which will be combined with 42,000 acres already received from Coca Cola Foods Corporation of Houston, Texas, to form the Rio Bravo Conservation and Management Area. The primary purpose of the project is to protect and maintain the biological diversity of Rio Bravo, including the dozens of CITES- and Endangered Species Act-listed plants and animals.

The project as proposed to AID is part of a larger, country-wide conservation program encompassing land conservation, environmental protection, economic development, ecological tourism and training, and public education for Belizean nationals which is called the Programme for Belize (PFB). At the end of the proposed project, a large and important tract of land will be protected in trust for the people of Belize and the world and the biological diversity of that land safeguarded for future generations. The area will continue in perpetuity as a multi-purpose biological and archaeological reserve.

Protecting the forest will provide for continued contribution to the prevention of global warming by carbon fixation and oxygen production. Tropical forests contribute a significant amount as a carbon sink to the world's climate. The destruction of forests for short-term gain is

inimical to the long-term interest of the world. It is imperative that existing forest cover be maintained or increased through ecologically sound reforestation projects in order to forestall dramatic and rapid global climate change. The PFB land will be maintained as forest, and significant forest cover throughout adjacent areas will be maintained by competent management. Cutting will be done on a sustainable-yield selective-cutting system with natural propagation augmented by the planting of mahogany and other desirable tree species to replace the harvested timber. Clear cutting is an inappropriate tool for forest management in Belize and will not be used as a forestry practice.

The management plan for the Rio Bravo Conservation and Management Area, developed by the Programme for Belize, has been not only accepted by the government of Belize as a statement for the long-term protection and future of the Rio Bravo conservation lands but recommended as a model for the management of other natural areas in Belize. The PFB management plan provides significant detail on both the land purchase portion and the general program. The plan is summarized within this proposal.

## B. Project Background

Background: Self-governing since 1964 and an independent nation since 1981, the country of Belize has a long tradition of stable government. Formerly known as British Honduras, Belize today is a country of great natural beauty and ecological diversity, ranging from tropical rain forest in the mountainous south to extensive dry tropical forest in the northern plateaus. A fringing reef, the second largest in the world, embraces the entire Caribbean coastline. Belize has a rich heritage of Mayan, African, Hispanic, Caribbean, and European cultures. English is the national language, but Spanish is increasingly important. The population of Belize is small with some 180,000 persons spread thinly throughout an 8,800 square mile area. The bulk of the population is in the urban centers of Belize City, San Ignacio, Orange Walk, Corozal, and Dangriga. More than 70% of the land mass is covered with tropical forest. Belize has a wealth of wildlife species, many of which are in jeopardy throughout Central America and Mexico, and indeed, throughout much of their known ranges in the Western Hemisphere. CITES species, which are considered endangered elsewhere, are still fairly common in Belize. Spotted cats, such as the jaguar, margay, and ocelot, are found in numbers on the Rio Bravo property. In fact, the density of jaguars on or near the Rio Bravo property may be the highest of anywhere in Central America; there have been more than 25 visual observations of jaguar reported in the area in 1990. Baird's Tapir, hunted to extinction elsewhere, are still commonly seen, as are the Red Brocket and White-tailed Deer. Many of the large, edible bird species such as Great Curassow and Ocellated Turkey are common and easily seen.

History of the Project: In 1987, the Massachusetts Audubon Society (MAS) Board of Directors approved the initiation of a project to protect Central American tropical forest in Belize. This approval came after several years had been spent searching for the appropriate project to support to put MAS conservation concerns about Central America into action. The MAS and other independent state Audubon societies had been supporting the Belize Audubon Society (BAS) for three years at the time this project was initiated (the societies provided BAS with financial assistance for operating expenses from 1984 through 1990). This conservation initiative, called the Programme for Belize (PFB), was initially given project status within MAS with its own project director. Shortly thereafter, an independent, Belizean, non-profit corporation was established in Belize. The intention from the beginning was that this Belizean entity would have a

majority of Belizean board members who would develop and direct the Programme's growth and policies. The project budget was initially established with a grant and loan from MAS of \$500,000, although that advance soon expanded to \$750,000 as the PFB became successfully established as an independent and fully functional entity. MAS continues to provide support and assistance to the PFB and has taken the lead in completing one portion of the PFB strategy, the purchase and protection of 110,000 acres of the Rio Bravo Conservation and Management Area, to which this proposal is addressed. In October, 1990, The Nature Conservancy (TNC), MAS, and PFB completed the purchase.

History of the Land: The Rio Bravo Conservation and Management Area is part of a 650,000 acre land parcel once owned by the Belize Estate and Produce Company (BEC). With a history of timber management that began in the nineteenth century, the BEC once managed more than a million acres of mahogany, cedar, Santa Maria, and other hardwoods (see management plan for details). In the early 1980's, BEC and the Rio Bravo lands were purchased by Barry Bowen, a Belizean businessman, who originally intended to use the property to create a wood-fueled generating plant. When this scheme dissembled, Bowen divided the parcel into three, roughly equal parcels: selling one to Coca-Cola Foods, another to the Yalbac Ranch and Cattle Company, and keeping the remaining third for himself. In 1986 Bowen divided his property and in 1987 sold 110,000 acres of the northern half of his retained parcel to the Programme for Belize. In 1989 Coca-Cola Foods donated 42,000 acres to PFB through their Belizean subsidiary.

Prior Experience: The Massachusetts Audubon Society (MAS) since its founding in 1896 has been involved in international conservation. The first President of the Society, William Brewster, is a legendary figure in American ornithology and conservation. He was deeply involved in drafting and securing passage of the first international migratory bird treaty between the United States and Canada in 1916. Almost a decade later in 1926, the Society acted as one of the co-founders of the International Council for Bird Preservation located in Cambridge, England. Later MAS was one of many co-founders of the International Union for the Conservation of Nature and Natural Resources in Geneva, Switzerland. During the last decade, the Society has periodically had researchers in the field in Central and South America in an attempt to locate the wintering grounds of the endangered Roseate Tern. For nearly 25 years, the Society has been responsible for the management of all of the tern colonies in Massachusetts, including those of the Roseate Tern. Since the 1950's, the Society has led the way for ecological tourism and established the first such program on a worldwide basis. Now in its thirty-sixth year the Society's tour program will visit more than 20 countries promoting and supporting conservation.

The Society's current president, Dr. Gerard A. Bertrand, has extensive experience in international conservation as a member of numerous delegations to international conferences and conventions on conservation of living resources. In the 1970's Dr. Bertrand helped draft many of the conservation laws currently in force, including the Convention on International Trade on Endangered Species of Wild Fauna and Flora (CITES) and personally drafted what are now referred to as the Bern Criteria. He was a member of the International Whaling Commission Scientific Committee for five years and represented the US for the plenipotentiary conference on

migratory species in Bonn. As a science advisor at the Council of Environmental Quality under Presidents Nixon, Ford, and Carter, he was exposed to conservation problems on a worldwide basis, traveling to more than 65 countries on behalf of the United States government. As Chief of International Affairs for the United States Fish and Wildlife Service, Dr. Bertrand worked extensively with PL480 funds in India and Pakistan and set up and chaired numerous meetings in Central and South America under the auspices of the Convention on Nature Protection in the Western Hemisphere. At MAS Dr. Bertrand has continued international contacts as an invited consultant on conservation to the Peoples Republic of China, Japan, India, and now Belize. MAS's Board of Directors and current leadership are building on a 90-year tradition of international activities which will continue and grow into the future as environmental problems continue to expand their international character.

Protection of wildlife and habitat in Belize started when the British colonial administration established a reserve in 1928 for the Red-footed Booby on Half Moon Cay. The colonial government also created fifteen forest reserves covering more than 20 percent of the country. Since those early days, Belize's commitment to conservation and the environment has been made evident in the passage of the National Parks Act in 1981 and the Wildlife Protection Act in 1982. Further evidence of the country's resolve to protect its natural resources is found in the establishment of the 3600 acre Coxcomb Basin Jaguar Reserve in 1986 and the adoption of regulations to protect the coastal mangrove ecosystem in 1988. In the past year, the Government of Belize has expanded the Coxcomb Reserve to 102,000 acres through the creation of the Coxcomb Basin Wildlife Sanctuary and added other significant protected areas, such as the Bladen Branch Nature Reserve (97,000 acres) on the eastern edge of the Maya mountains in southern Belize.

Land Ownership: Originally, the Rio Bravo land was envisaged as being transferred to the Government of Belize in 1996. However, following incorporation of the Programme in Belize with a strong Belizean Board of Directors and the development of a carefully prepared and well thought-out management plan, the GOB has decided that PFB is capable of managing the land in trust for the people of Belize, and on January 16, 1991, signed an agreement which, in effect, transfers ownership of the Rio Bravo lands to PFB in perpetuity. The Memorandum of Association of the Programme for Belize provides for the transfer of the Rio Bravo land to another conservation organization should PFB cease to function. The management plan and recent agreement with the Government of Belize are attached.

C. Project Analysis: The financial and management objectives for the Rio Bravo area are as follows:

- A: To develop the administration necessary for long-term management of the Rio Bravo property.

In order to provide for the long-term protection of the Rio Bravo conservation lands, a strong board of directors, staff, and infrastructure are necessary to guide, manage, and protect the property while the acquisition is completed and the management plan is being implemented. To date, a staff of six have been established in Belize City with Mrs. Joy Grant as its Managing Director. Mrs. Grant has experience as Assistant to

the Belizean Ambassador in Washington, D.C., and with the World Bank prior to returning to Belize (resume - Appendix A). During her two years with the project, she has proven to be a particularly effective manager. She has developed great credibility within and outside government for the PFB and is largely responsible for its recent success. A Board of seven, chaired by Ambassador James V. Hyde and with a Belizean majority, now governs the PFB in Belize.

As recommended by AID, the MAS requested a seat on the Board of the PFB. On October 4, 1990, the PFB Board of Directors voted to provide MAS a seat on the board "for the period of the USAID grant to the Society for the repayment of The Nature Conservancy loan to the Programme for Belize" with the tacit understanding that, if the Society and PFB wish to continue this special relationship, they could do so by another vote of the board. In the meantime, during the course of the AID grant MAS will be in a position to monitor and assist both the policies and programs of the PFB and to be fully knowledgeable of and aware of the finances of PFB. MAS is fully supportive of the PFB and will continue to do so, as needed, during the coming years. The MAS Board of Directors has been most gratified by PFB's progress.

Under the PFB, MAS, and TNC agreement, PFB is legally responsible for repayment of the loan. However, MAS and the World Wide Land Conservation Trust (WWLCT) of U.K. have joined with TNC to raise funds for the land repayment. While no specific targets are set, both have agreed to use "best efforts" to raise funds. MAS is represented on WWLCT by Dr. Bertrand, who is one of three WWLCT board members. WWLCT contributed \$168,000 through October of 1990 toward the reduction of the TNC loan.

MAS will transfer the funds received from AID either directly to TNC to repay the existing mortgage on the land or to TNC through PFB if that is so desired. The direct transfer to TNC seems preferable in that it would probably avoid additional costs associated with international currency procedures. MAS does not have veto authority over modifications of the charter of PFB but feels confident that the recently approved Memorandum of Agreement with the Government of Belize will provide a solid base long after the TNC loan is repaid. Rather than a written memorandum of understanding with Programme for Belize including a "veto authority," MAS and PFB believe that the MAS presence on the PFB board and our ongoing financial support will be sufficient to prevent inappropriate actions by PFB. MAS will be involved integrally in the development of PFB, its policies, management, directions, and finances. Should PFB default on its repayment of the TNC loan, MAS would consider purchasing the remainder of the note from TNC to secure the land. The agreement between TNC and PFB and a joint agreement between TNC and MAS and Conservation Management Associates, one of PFB's representatives in the United States, is attached. PFB has already begun discussions with the Government of Belize regarding legislative and long-term designation and recognition for the Rio Bravo area. UNESCO has responded favorably and will pursue initiatives with PFB in 1991.

**B: To preserve biological diversity at Rio Bravo and insure that the vegetation and wildlife are not severely impacted by research activity, visitor use, or economic exploitation of the forest.**

In conjunction with other conservation organizations including the Florida State Museum, the New York Zoological Society, Conservation International, Manomet Bird Observatory, and others, the PFB is currently establishing scientific baselines for the biological, archaeological, and geological resources of the Rio Bravo. When sufficient information on resource distribution is available, the site will be zoned to protect fragile areas and actively manage others. Policies and management guidelines are currently being developed on use of pesticides and herbicides, forestry practices, management of archaeological sites, and other pertinent regulations.

At present, the only access to the property is through a single road which traverses the property from north to south, ending in land owned by Gallon Jug Agroindustry, from whom the Rio Bravo property is being purchased. There is a gate and a guard located at the northern boundary of the property which prevents unauthorized access. There are no other traversible roads for entry into the Rio Bravo area. Other management concerns include timber theft, marijuana cultivation, and changes in nearby land use. Although such impacts on the Rio Bravo are, at present, minor and operate on the extreme fringe of the property, control of property boundaries will be important to establish during the early years of the project. The limited access does much to prevent misuse of the land, and the increased use for conservation purposes will minimize unauthorized use in coming years.

**C: To secure land parcels and delineate boundaries.**

In July, 1990, MAS, the PFB, and The Nature Conservancy reached an agreement to complete the purchase of the Rio Bravo conservation area. Of the \$3.5 million US purchase price for the property, a little over \$500,000 had been given to Gallon Jug Agroindustry (GJA) Ltd. as a deposit, and another \$500,000 raised by public subscription was given to GJA at the closing on October 11, 1990 when The Nature Conservancy loaned the remainder (plus closing costs) of \$2,653,500.00 to PFB at 8.33 percent interest. As noted earlier, MAS, PFB, and TNC are jointly undertaking repayment of that debt.

The Nature Conservancy loan is secured by a mortgage on the 152,000-acre Rio Bravo property. Both MAS, as a board member of PFB, and TNC, as mortgage holder for the property, are and will continue working with PFB to manage all of the land for the purposes of protecting the forests and its wildlife for biodiversity and for its contribution to the prevention of global warming. The management plan allows sustainable harvesting of timber outside the core area and, in particular, on the land donated by Coca-Cola Foods where some illegal logging had already taken place before it was transferred to PFB. Management of the property continues to improve as knowledge allows the management plan to add

specificity about each area and ecosystem of the reserve. There are no encumbrances or restrictions on the deed which either allow or prohibit specific activities.

While the agreement between PFB and the Government of Belize does not address further collateralization of the land for loans, it is the expressed intention of the PFB not to do so. All parties are working to pay the existing mortgage to TNC as quickly as possible.

A principal management task in the coming year will be to delineate and post the northern and eastern boundaries of the Rio Bravo property. The Coca Cola Foods land was fully surveyed and monumented before transfer, as was required by the Government of Belize. That land was transferred on June 13, 1990 (map attached — Appendix C).

D: To establish research programs in the biological sciences, forest management, and archaeology.

During the past two years a research station has been developed on an area of open ground near a significant archaeological site called La Milpa along the north-south road. The initial construction phase of the facility has been completed, and it is already being used by independent researchers evaluating the biological diversity and archaeology of the property. It is the intention of the PFB to establish a research program similar to La Selva in Costa Rica or the Smithsonian Tropical Research Institute in Panama. Over \$580,000 in grants has already been secured for research efforts in 1990 and 1991. Interest in the area as a site for further exploration is very high among US, British, and Canadian conservation and academic institutions, but PFB has been putting inquiries on hold until the land purchase is completed and a plan for research station usage has been prepared. PFB also intends to use Rio Bravo as a site for professional level training in environmental education. The PFB sought and received through MAS a grant for \$150,000 from the Alton Jones Foundation to provide technical training for Belizeans in ecology, biological inventory methods, forest management, and archaeology. These funds have been expended in a variety of ways to train native Belizeans in natural resource management. The PFB has had two Belizean management trainees in the field at Rio Bravo continuously this past year. This is expected to continue. In November, 1990, PFB received another \$200,000 grant from the Alton Jones Foundation, a portion of which will be used to continue the training program in resource management.

In July, 1990, a review board of multidisciplinary scientists was created to evaluate, review, and encourage the production of scientific information on the biology and ecology of Rio Bravo's plants and animals. A similar review board on archeology is planned for 1991.

E: To improve access and the road network and control traffic and visitation.

Much of the Rio Bravo land is laced with old logging roads which could be selectively restored in order to improve visitor and researcher access to the property without sacrificing management control or traversing designated core areas. Orientation signs, maps, and trail markers will be needed in order to assure that visitors have a good experience. There is a

future need to develop tourist facilities at Rio Bravo which, in turn, will provide operating funds to assist the government in developing and promoting natural history tourism elsewhere in Belize. It is the intention of PFB to establish two commercial natural history tourist facilities at Rio Bravo. Discussions have been under way for more than a year, but investors are hesitant until the land is firmly secured and under PFB control as an officially protected conservation area. The Rio Bravo Conservation and Management Area would fit well within the concept of "La Ruta Maya," and clearly its location would qualify it to be part of any regional park that might be envisaged. It is easily foreseeable that this section of Central America, linking Tikal in Guatemala, Rio Azul in Mexico, and the Rio Bravo area in Belize, could become one of the great natural tourist meccas in all of Central America, generating significant sums of money for use in natural resource management and protection.

Ecological tourism is the fastest growing segment of the tourist industry on a worldwide basis. While it cannot and should not be counted on to drive the economy of Belize, tourism is and will be a significant component in future years. This, along with other appropriate development of the country's natural resources, appears to have a high priority in the Government of Belize's economic plans.

F: Develop a forest management plan and begin harvesting timber and other forest products on a commercial and sustainable basis.

Following the delineation of management zones within the Rio Bravo Conservation and Management Area (see Objective B), inventories of forest products will be developed, and conservative estimates of a sustained yield of extractable products will be generated. Any resource extraction will be approached carefully and slowly, and then only after baseline information has been developed and an infrastructure exists to allow it to be managed and controlled in an environmentally sound manner.

The merits of such a program are deeply rooted in the historical land-use pattern of Belize and of the Rio Bravo lands in particular. The Rio Bravo forest exists because for over 150 years the Belize Estates and Timber Co., Ltd., managed and protected this land solely for the purpose of selectively extracting valuable timber. It is the Programme's intention to emulate that practice but with the proceeds benefiting the people of Belize. The Government of Belize is extremely interested in understanding the long-term potential of the country's natural resources. Being a poor country, Belize cannot afford to set aside its forests without some economic return. The Rio Bravo area is the prototype that can demonstrate the potential and the benefits to be derived from the combined use of core protection, tourism, and resource extraction and which will have positive implications for the country as a whole.

Only after sufficient information exists to delineate clearly the management zones within the Rio Bravo Conservation Area will extraction of forest products on a sustainable basis be initiated. Inventories need to be developed within these zones and conservative estimates of extractible products generated. Since all of the Rio Bravo area had been logged in the historic past and continued to be selectively logged until recent years, it does not fit the definition of primary forest. Nevertheless, the Rio Bravo

forests are rich and, undoubtedly, will provide some jobs and funds to the Belizean people. Few examples of truly sustainable forestry and extraction of forest products exist in Central America and none in Belize. It is the intention to make a portion of the Rio Bravo area the model for resource development for the rest of the country and the region.

G: To expand and improve public relations, publicize Rio Bravo and its objectives, and develop long-term relations with nearby landowners.

One of the factors that makes the Rio Bravo a unique opportunity is that the PFB has been advised that contiguous or nearby major landowners are willing to cooperate and manage their lands consistent with the management policies in place for the Rio Bravo Conservation and Management Area. Gallon Jug Agroindustry to the south has more than 100,000 acres that the owner is willing to put under the management plan of the Rio Bravo. The Yalbac Ranch and Cattle Company, south and east of Gallon Jug Agroindustry but bordering Rio Bravo's Coca Cola Food's parcel on the southeast, has similar potential for long-term management and the protection of its biological diversity. And indeed, it is anticipated that Yalbac may, in fact, be available for purchase in 1991, and some portion may be considered by PFB, MAS, and TNC for addition to the Rio Bravo property. Mennonite communities north at Blue Creek and Shipyard, as well as native Belizean communities at San Felipe, are aware of the PFB and its objectives. Continuing development of good relationships is necessary to protect further the boundaries of the property.

#### RIO BRAVO RESERVE MANAGEMENT:

The Rio Bravo land will be managed by PFB. Belizeans themselves will be trained for these positions and be responsible for the long-term protection of the Rio Bravo. Since Belizeans make up a majority of the PFB Board of Directors, Belizeans will be primarily responsible for managing and running the Rio Bravo conservation area. During the past two years, PFB has trained Belizeans in natural resource management with funds contributed by the Alton Jones Foundation, with continuing support promised. Training continues to be an integral part of PFB's activities.

General: Belize stands on the threshold. As a poor country, but one with no significant foreign debt, it has the potential to develop a sound economy and a stable financial future. Belize has been one of the few politically stable countries in Central America. With its very high literacy rate, Belize also has the potential to develop, like Costa Rica, as a leader in the quest for a sustainable society. The development of a methodology for sustainable use of Belizean forests and creation of an appropriate technology for agriculture are still in infancy. Both will be important factors in the future of the Belizean economy.

PFB will provide to native Belizeans employment, training, and opportunities not presently available in the country. Regardless of the potential for an international park, the PFB can help develop the tourism base of Belize, and the Rio Bravo land can help raise the income of and opportunities for the people of Belize. Because Belize is such a small

country with so few people, any project as significant as PFB can have a large and direct beneficial impact on the people. Already PFB is known by much of the general populace and by all the government, academic, and non-profit organizations within the country. It is recognized as a leader in helping the government set directions for future resource development.

In the short time that it has existed, PFB has become an important training ground for natural resource managers. This is due, in large part, to generous support of several major U.S. foundations who recognized the necessity for a Belizean cadre of professionals and semi-professionals that will provide the infrastructure required to manage the country's resources. Fortunately, PFB is not alone in providing training for potential managers; the Belize Audubon Society and the Belize Zoo have also initiated training programs with the assistance of outside funding. The benefits of these programs will be apparent as the country moves toward its goal of a more stable economy and a higher standard of living.

The technology being introduced through the PFB is in some ways standard in the more developed parts of the world but is new in the Belizean context: conducting environmental inventories, setting up the legal infrastructure for resource protection, environmental education, all are relatively new to Belize and are being welcomed. Where technology can be extended is in the increased use of scientists and scientific data in developing a program of long-term sustainability of biological diversity and preservation of biological community structure.

The economic development of the country will be geared toward tourism and sustainable resource exploitation. Any marriage between these two which provides for protection of the natural resource base and the country's inherently high biological diversity will help provide jobs and economic opportunity. The PFB is working closely with existing environmental entities within Belize, as well as the university systems to advance public education regarding Belize's environment. It should be noted that the PFB has already passed one significant sociocultural milestone; that is, a change in government. Fortunately, the PFB is viewed as an objective, non-partisan program that will benefit all Belizean citizens and is not aligned with any one political party.

Relationship with AID Guidelines Governing Funding for FVOS:  
Massachusetts Audubon Society (MAS) entered the conservation challenge in Central America with some hesitancy, yet with high hopes of success. The Society recognized immediately that the ultimate success of the project would be dependent on its local credibility, strength, and the ownership of the ideas and ideals embraced by the organization within the country itself. Outside independent funds, technical expertise, and enthusiasm are a great help in getting programs started, but they will not sustain a project in the long run. Even maintaining a private volunteer organization in the United States is difficult in economic down times without financial stability. MAS has a ninety-five-year history in conservation, and as such, has some experience in maintaining a stability and persistence of effort in the conservation arena.

The Society also recognized that no one organization can work effectively as the sole proponent of conservation in a country like Belize. A number of international organizations are already involved, and still others are

contemplating expansion into Belize. From the outset the Society invited all major conservation organizations to take part in a unified effort to make the PFB work. To date, only the Audubon Alliance, composed of independent state Audubon societies, has contributed to and encouraged their members to support PFB. National organizations have promoted PFB but have not, to date, made any significant financial contributions toward its success. This is expected to change in the coming year as World Wildlife Fund and New York Zoological Society re-evaluate their positions regarding funding.

In the United Kingdom there has been created a duly authorized charity (WWLCT) whose sole purpose to date has been to fund the land-purchase portion of the PFB. Over one quarter million dollars US has been raised so far in United Kingdom. Additional fund-raising efforts are currently in their planning stages but are expected to get off the ground in 1991 in Switzerland and The Netherlands. Because of the vast appeal of the project, it makes an excellent tropical conservation project to offer to memberships of large wildlife conservation organizations such as the Dutch World Wildlife Fund. There has been a steady increase in interest in the project which gives high hopes to those who have been involved from the beginning.

The greatest success, however, of the project has been its institutionalization within the host country. PFB cut new ground by hiring a female director, something that in Central America is still enough of a novelty to attract attention. As one of the better-paid and politically-connected women in Belize, Mrs. Grant has access to government at all levels, as well as to the Belizean business community. Although unrelated to PFB's management, it should be noted that Mr. Barry Bowen, from whom the land was purchased, is known throughout Belize, and has been very supportive of the PFB, in concept and in fact and, while this has both plusses and minuses, it does provide for very high visibility politically and publically within the country. PFB's Board of Directors includes some of Belize's best-known and highly respected professionals which in itself lends stability and credibility to the organization. The acceptance and recognition by the former and present governments of the important role of PFB continues to emphasize within the country the PFB's long-term value as part of the future solution to Belizean economic and environmental problems. The project, particularly the land purchase, has enjoyed broad public support in the United States. The management, training, development, and political influence of the PFB within Belize has likewise been very well-received. As a young institution there is every reason to believe that PFB will continue to flourish and add to Belizean culture. More than that, the influence of PFB extends well beyond the borders of Belize; the Belizean staff is actively sought as speakers or participants in meetings throughout Central America and elsewhere.

Eventually, it is the intention of MAS to help raise an endowment such as that enjoyed by the Society which will stabilize PFB as an institution. Few program offerings at the non-profit level are entirely self-supporting, particularly if they are aimed at those most in need. We have found in our own efforts that programs designed to heighten awareness and provide learning opportunities for growth and future jobs need to be subsidized if they are to be made affordable. In the long run, a secure financial base will be necessary if PFB is to be effective.

D. Project Design and Implementation:

1. Implementation Plan

The land purchase that is the focus of this proposal is nearly completed. The agreement between MAS, PFB, and TNC is appended. Now that the land is secured, the management plan is being put into action, and those objectives A through G listed in Section 2 will be pursued. MAS will act as the fiscal agent in the United States for this grant. All sums received from AID will be transferred to TNC or its successor to pay the outstanding note on the property. MAS will set up a separately held account to receive and disperse the funds. These funds will be under the control of MAS and subject to our annual audit and available at any time for AID inspection.

MAS maintains a connection to PFB by having James Baird, Vice President of the Massachusetts Audubon Society, on the PFB Board of Directors in Belize. He has full access to PFB's books and will continue to follow the activities of PFB in Belize carefully. PFB in Belize has an independent auditor and operates under the rules governing charities in Belize. For this project the MAS will not and is not charging any overhead costs for its services in tracking, accounting, and auditing the PFB land purchase account. This is being done as part of our ongoing contribution and support for the PFB project. If this proposal is accepted, MAS will receive in February of each year for three years \$500,000 from AID to be used for the purchase of the Rio Bravo Conservation and Management Area. Any modifications of this would be agreed to in writing by MAS and AID. We are not aware of the need to waive any AID rules or regulations. MAS currently receives funds from the United States government through the National Endowment for the Arts and Humanities and, as such, has complied with all federal regulations regarding the acceptance and use of such funds.

2. Measurement and Evaluation of Project Accomplishments:

Because this proposal to AID is a straightforward request for assistance in land purchase, the completion of that purchase and payment of the mortgage note will mean successful completion of the project in the narrow sense. However, in a much larger sense the purchase of the Rio Bravo land will only be successful if the long-term objectives and long-term protection of that property and the large amount of biological diversity that it represents in Belize is assured. Maintaining the property in a forested state will also contribute to the prevention of global warming. The government of Belize, PFB, and MAS are all committed to preserving Rio Bravo's flora and fauna not only because of its local importance, but because it is important as wintering habitat for North American migratory species which are at risk in many parts of Central America. Sixty-five percent of the species summering in New England migrate to or through Central America, and countless individuals spend the winter in Belizean forests. From this somewhat narrow perspective to the much broader one of protecting resident ecosystems and all their component parts from jaguars to termite colonies is the long-term broad objective of the project.

As discussed in previous sections, the best way for this to be accomplished is through a combination of government and private, non-profit

organization cooperation where the land is used to benefit the people economically, while at the same time maintaining its ecological integrity and natural character. MAS intends to continue with its connections to PFB, strengthen its international component, particularly by assisting in the recruiting of Canadian and European representatives as supporters for the project, and by developing an endowment to provide a stable income source for the property. These, however, are longer term goals that many organizations and individuals will join in pursuing.

A specific goal that the Society will continue to support through PFB is the use of the land as a significant scientific resource for understanding dry, tropical forest ecosystems. The world is recognizing the importance of environmental protection. American academicians and non-profit organizations are turning their sights more and more toward Central and South America and the need to understand and protect the unique species and systems found in our hemisphere as part of their and our heritage. MAS, its members and supporters have invested in the research facility at La Milpa on the Rio Bravo property, as have other conservation organizations and foundations. Use of those facilities by scientific teams provides training opportunities for native Belizeans of real importance for the long-term development of Belize resources and also as a presence on the property which will add to its attractiveness for tourism while affording protection from unwarranted use. Since the research facility is now completed, we would expect to see significant increase in the amount of use by visiting scientists and universities in the coming year. PFB has set up a modest fee schedule allowing use of the facility and providing basic amenities including meals.

The second measure of success will be continued cooperation and support of the Programme by the government of Belize. To date, the project has received warm support from both past and present governments and there is every reason to expect that this will continue in the future. This will be important in attracting operational research funds for the property in coming years. Close cooperation is assured by the new agreement which requires that two seats on the Board of PFB are held by representatives of the GOB.

The development of tourism on the property is important for its long-term financial future. This year, with the land secure, it will be important to set and reach milestones in the development of tourist facilities to serve the property. A prototype exists at Gallon Jug Agroindustry, which offers a quality tourism experience to a small clientele (20 beds) with a second facility being contemplated. The creation of similar, but different, facilities on the Rio Bravo property will not only be desirable, but will have a synergistic effect on tourism development elsewhere. We would expect the tourist facility to be initiated within three years.

In the last three months the Government of Belize has taken a great step toward the development of a national conservation ethic with the appointment of Dr. Victor Gonzalez as Chief Environmental Officer for the Ministry of Tourism and the Environment for the country. Dr. Gonzalez was Chairman of the Board of Directors for the Belize Audubon Society from 1985 to 1990 which were the years when MAS and the members of the Audubon Alliance supported that

organization. As a biologist, Dr. Gonzalez fully understands the need for training and development of environmental professionals within the country. An important measure of the success of the project will be not only the continuation of full-time Belizean trainees at Rio Bravo, but also having the management responsibilities being turned over in the near future to Belizeans.

Lastly, we have the prospect that, because of the existence of the Rio Bravo Conservation and Management Area, there could be developed a tri-national park involving Guatemala, Mexico, and Belize. While there are impediments to this project and some environmental questions regarding its impact on what is presently an undisturbed area; in the long run, careful and thoughtful development will be beneficial and will afford positive action toward protection. The creation of a regional park will establish a biological resource that will go well beyond local environmental concerns, and for that reason alone, would be well worth the effort.

Once this project gets underway, MAS will keep AID fully informed of all aspects of the program that it is party to and will work directly with AID personnel on this and other matters in which AID feels the Society can perform a useful service. As the largest state environmental organization in America and one of the ten largest environmental organizations generally, the Society is interested in continuing to develop a strong environmental consciousness and land protection program in Central America. We will evaluate the Rio Bravo and PFB program carefully because it is a possible model for future involvement and represents the first significant step by the Society to apply a portion of its resources toward Central American environmental protection.

#### E. Financial Plan:

By the time this final proposal is approved by AID, the purchase of the property from Gallon Jug Agroindustry will have been completed. At that point PFB will owe The Nature Conservancy (TNC) \$2,360,700 plus interest. This proposal requests that AID provide \$500,000 per year for three years toward the purchase with payments beginning on or before February 15, 1991, and the final payment being made on or before February 15, 1993. MAS, TNC, PFB, the UK office representing PFB, as well as fund-raising representatives now being set up in Switzerland and The Netherlands, will raise the remainder including all interest payments made to TNC. The faster we repay TNC, the lower will be the total interest. We have developed the payment schedule below based on conservative estimates of fund raising in the past twenty-four months. Personnel, training, commodity, or other costs are not included in this proposal. Overhead on fund raising are being paid directly by the organizations involved as a donation or funded through other sources of income. Any funds raised over and above the amount required by the FVO's will, where legally possible, go directly toward the PFB projects or in future years toward an endowment fund for the Rio Bravo Conservation and Management Area.

#### F. Conditions:

MAS would be pleased to supply any evidence or additional material requested by AID to fulfill the requirements of this section.

G. Statutory Considerations:

MAS is not aware of any additional statutory considerations warranting discussion that have not already been discussed in previous sections.

SUMMARY OF RIO BRAVO CONSERVATION AND MANAGEMENT  
AREA PURCHASE COSTS AND REPAYMENT SCHEDULE

Purchase Price .....		\$3,500,000
Down Payment .....		-519,000
Additional Contributions .....		<u>-481,000</u>
The Nature Conservancy Loan (toward land) .....	2,500,000	
Closing Costs .....	153,500	
	Total Cost .....	3,653,500
Raised as of 9/1/90 .....		<u>-1,000,000</u>
The Nature Conservancy Note .....	2,653,500	
Repayment as of 12/31/90 .....		<u>-292,800</u>
The Nature Conservancy Mortgage as of 12/31/90 .....	2,360,700	
Expected 1991:		
WWLCT .....	\$100,000	
CMA .....	100,000	
USAID .....	500,000	
TNC .....	100,000	
MAS .....	100,000	
	Total.....	<u>\$900,000</u>
Balance Due Sept. 30, 1991 (+ \$147,485 interest).....		1,608,185
Expected 1992:		
WWLCT .....	\$100,000	
CMA .....	100,000	
USAID .....	500,000	
TNC .....	100,000	
MAS .....	100,000	
	Total.....	<u>\$900,000</u>
Balance Due Sept. 30, 1992 (+ \$133,962 interest).....		842,147
Expected 1993		
WWLCT .....	\$100,000	
CMA .....	200,000	
USAID .....	500,000	
TNC .....	50,000	
MAS .....	62,298	
	Total.....	<u>\$912,298</u>
Balance Due Sept. 30, 1993 (+ \$70,151 interest).....		\$ 0

PROMISSORY NOTE

PROGRAMME FOR BELIZE  
#1 King Street  
Belize City, Belize

October 02, 1990

U.S. \$2,653,500

We, the PROGRAMME FOR BELIZE promise to pay to THE NATURE CONSERVANCY of 1815 North Lynn Street, Arlington, Virginia 22209 U.S.A. on order the sum of two million six hundred and fifty-three thousand five hundred dollars (U.S. \$2,653,500) value received with interest at the rate of 8.33% per annum by the following installments, namely the sum of U.S. \$884,833.33 principal plus accrued interest on the 30th of September, 1991, the sum of U.S. \$884,333.33 principal plus accrued interest on the 30th of September, 1992 and the sum of U.S. \$884,333.34 plus accrued interest on the 30th of September 1993.

In default of payment of the first installment the whole amount payable under this note is to become immediately due and payable.

THE PROGRAMME FOR BELIZE

  
\_\_\_\_\_  
DIRECTOR  
  
\_\_\_\_\_  
MANAGING DIRECTOR

Page 2  
Memorandum of Understanding  
July 9, 1990

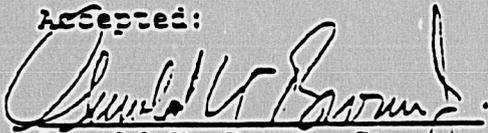
3. Prior to closing, TNC will obtain an appraisal on the Rio Bravo property and a Mortgagee title insurance policy in the full amount of the loan satisfactory to TNC. It may be necessary to obtain a release from the Government of Belize of the Trust interest as provided for in the purchase agreement between PFB and Barry Bowen. Requirements of the title company needed to ensure good insurable and marketable title will be satisfied.

4. MAS and PFB agree to undertake an active fundraising campaign to raise the funds necessary to pay the Loan, including interest. It is mutually understood and agreed that it is intended that the Loan be repaid as quickly as possible, including prepayment if possible. Grants received by MAS or PFB for the purpose of land acquisition in Belize will be transferred immediately to TNC with no subtractions for overhead or other charges or costs deducted. TNC will establish a separate account for the Rio Bravo project, to which will be charged closing costs and the loan advance. TNC will provide PFB and MAS with financial reports every six months indicating loan balance, interest charges, and income received. Any funds received directly by TNC for the project will be credited directly to the Rio Bravo account, first to closing costs and accrued interest, then to principal reduction. All payments received from PFB and MAS will be applied first to interest and then to reduction of principal.

Sincerely,

  
John C. Sawhill

Accepted:

  
Arnold R. Brown, Jr.  
Programme for Belize

  
Gerard A. Bertrand  
Massachusetts Audubon Society



July 9, 1990

Mr. Arnold R. Brown, Jr.  
Programme for Belize  
Fax: (508) 693-6311

Dr. Gerard A. Bertrand  
Massachusetts Audubon Society  
Fax: (617) 259-8899

Gentlemen:

This letter constitutes a Memorandum of Understanding among the Programme for Belize (PFB), Massachusetts Audubon Society (MAS), and The Nature Conservancy (TNC) concerning payment of the balance due on the acquisition of the Rio Bravo property in Belize.

Please indicate your acceptance of the terms of this Memorandum by signing and returning a copy to The Nature Conservancy.

1. On or about June 30, 1990, the Programme for Belize intends to pay the balance of the purchase price on the Rio Bravo property by making a final payment to Barry Bowen of \$3,000,000. This payment will be made with approximately \$300,000 of funds from PFB, \$200,000 of funds from TNC in the form of a grant (source: National Geographic ad), and approximately \$2.5 million in funds loaned by TNC to PFB from TNC's Land Preservation Fund (Loan). The Loan will be for three years and carry an interest rate of 8.33% per annum, payable in equal annual installments of principle and the outstanding annual interest. Full terms of the Loan will be incorporated into a Promissory Note (Note) to be executed by PFB at closing.

2. Security on the Note will be a Mortgage, encumbrance, or similar security arrangement covering the full 152,000 acres of the Rio Bravo property, to be executed at closing. Among the terms and conditions of the Mortgage will be a provision for a release of a pro rata share of the acreage from the encumbrance upon receipt from the U.S. Agency for International Development, of each grant to MAS, PFB or TNC for the purpose of repayment of TNC's Loan. The balance of the property shall be released upon full payment of the Loan. Prior to closing, PFB will obtain from Coca Cola Foods written consent to the mortgage or encumbrance on the 42,000 acres donated by Coca Cola to PFB.



## W. FORD YOUNG REAL ESTATE LIMITED

P. O. Box 354  
BELIZE CITY, BELIZE, C. A.

### A94. OVER 110,000 ACRES AGRICULTURAL LAND IN NW BELIZE

The property is located in the Orange Walk District in the northwest corner of Belize. (See Location Map). It is bounded on the north by the Blue Creek Mennonite Community, on the east by Booth's River and property owned by Coca-Cola Foods, on the south by property owned by Gallon Jug Agroindustries Limited and on the west by the Guatemalan border. It comprises approximately 110,000 - 115,000 acres. (See 1/250,000 Map).

The property is accessible by road from Belize City by way of the Northern Highway to Orange Walk town thence southwesterly to Blue Creek Village and again southwesterly from Blue Creek into the property - a total of 100 miles. There is an excellent 3000 ft. paved airstrip at Gallon Jug which lies only 10 miles south of the property. In addition to the main access road, there are many miles of old logging roads running throughout the property. Some areas would require substantial road work for full development.

The property will range from about 60' to 700' above sea level. The eastern, low-lying part of the property, is gently rolling with large areas which are pretty much flat. There is a swampy area comprising some 10,000 acres bordering Booth's River which forms the eastern boundary of the property. The western part of the property is more hilly but contains many small flat-bottomed valleys and a few small swampy areas. Three fault-controlled escarpments trending North-South or NNE-SSW control the major drainage.

The soils would be basically calcareous as the entire area is underlain by limestone. Soil depth is variable. Heavy forest covers most of the property with the exception of the swampy areas. The major drainage pattern is controlled by Booth's River, Rio Bravo and their tributaries and some smaller streams flowing north through the Blue Creek Mennonite Community into Blue Creek. Rainfall will average 60-70 inches per year with a "rainy" season, extending from about June through December and a "dry" season covering the rest of the year. While on the matter of drainage, it might be pointed out that the Mennonites have established a hydroelectric plant with sufficient capacity to supply the entire Blue Creek Mennonite Community, on the Rio Bravo just above the point where it enters the Rio Hondo. It is likely that hydroelectric sites could be located within the property.

The property would probably be best suited to a combination of mixed agriculture and forestry. While the area has been logged over the years, mainly for primary hardwoods (Mahogany and Spanish Cedar) for export, there would still be a very considerable quantity of these as well as secondary hardwoods which find a ready market in Belize. Any logging

operation should include a reforestation program. Selective logging does not do a great deal of damage to the environment and consideration should be given to the possibility of setting aside areas which are not well suited to agriculture, as nature reserves. This practice is encouraged by the Belize Government and conservation groups in Belize. In such areas it could well be possible to set up nature-oriented tourist attractions which could be based on Maya ruins which are known to exist in the area.

The agricultural possibilities for the area are many. Almost any tropical agricultural crop will grow here. Cattle (both beef and dairy) and hogs, tree crops such as citrus and cacao, and all types of row crops, vegetables, etc., can be raised. The Blue Creek Mennonite Community is successfully raising improved pasture for both beef and dairy cattle, sorghum, corn, beans, peanuts, many different vegetables, papayas, plantains, bananas and citrus, among others. Minute Maid has plans for at least 25,000 acres of citrus on an adjoining property. Gallon Jug Agro-Industries Ltd. is carrying on extensive experiments with all types of agricultural crops at the settlement known as Gallon Jug, some 10 miles south of the property. The results of these experiments and advice on general crop matters will be made available to anyone purchasing the property.

A ready source of equipment and know-how for land clearing, road building, drainage, etc., is available at reasonable cost in the Blue Creek Mennonite Community.

Annual land taxes are presently 22 cents U.S. per acre.

The property is being offered for sale for US\$4,500,000 cash (all costs included) with a 10% deposit required with a firm offer and the balance payable on completion of sale. An alien will require a licence to purchase under the Aliens Landholding Ordinance (see enclosed summary).



*Gibson C. St.  
Gibson C. St.  
An*

*Office of The Deputy Prime Minister  
and Ministry of Natural Resources*

*Belizean*

*Telephones 15 22711 22220*

*Facsimile 501.5.22333*

*Date* December 17, 1990

RE: PROGRAMME FOR BELIZE

The Ministry of Natural Resources herewith endorses the activities of the Programme for Belize Organization which is working, by agreement, in collaboration with the Government of Belize to implement a management plan for lands in North/Western Belize.

Sincerely,

( D.A.K. GIBSON )  
Permanent Secretary

/ain

# K. C. Dunn & Associates

## CONSULTANTS/REALTORS/APPRAISERS

Tel. (02) 44208  
(02) 44458  
Cables: KENDUN, BELIZE

- 23 -

11th March, 1987

38 New Road  
P.O. Box 774  
Belize City  
BELIZE, C.A.

Mr. Charles W. Johnson, Jr.,  
66 Dickinson Road,  
Haddam, Ct. 06438-1253,  
U. S. A.

Dear Mr. Johnson,

Subject: Real Estate in Belize

Thank you for your kind letter of February 24th to which I reply as follows:

2. There is nothing to prevent you if you wish to purchase land in excess of 10 acres. The law requires that if you wish to acquire land in excess of 10 acres you must obtain a licence to purchase from the Minister of Natural Resources. If you wish, as you pointed out to acquire a large tract of land for subdivision in 5 to 10 or 20 acre blocks for sale to vegetarian agriculturist this would constitute valid ground on which to base your application to purchase a large tract or any size plot in excess of 10 acres. My firm, K. C. Dunn & Associates will undertake to obtain the licence for you and your associates.
3. It would be advisable to form a Corporation of Vegetarians or other persons interested in the investment. I would be pleased to prepare the Corporation documents for you and your colleagues.
4. I enclose a Listing which I recommend for your consideration, bearing in mind that the acquisition of land in excess of 10 acres poses no problem since we can obtain a licence from the Minister of Natural Resources for you to purchase whatever amount you wish to purchase for the purpose of growing fruits and vegetables.
5. Please let me hear from you in advance of your arrival in Belize.

Yours sincerely,

(K. C. Dunn)

Enclosure



Advisor  
to the Chamber of  
Commerce & Industry

# K.C. Dunn & Associates

## CONSULTANTS/REALTORS/APPRAISERS

Tel. (02) ~~4~~4208  
(02) ~~4~~458  
Cables: KENDUN, BELIZE

38 New Road  
P.O. Box 774  
Belize City  
BELIZE, C.A.

### L I S T I N G S

6,545 Acres

Highland Estates situated at Mile 44-46 on the Western Highway subdivided into 101 acre blocks and 5-acre blocks. 101 acre blocks selling at US\$125.00 per acre roadside frontage. Additional 101 acre parcels US\$100.00 per acre. 5 acre parcels range from US\$1,494 to US\$3,000 depending on location. 5 acre parcels have been cleared and stumped by bulldozer tractor.

Terms: 30% downpayment with 10% interest on balance payable in 6 years

3,000 acres not subdivided selling at US\$25.00- per acre cash.

Frontage (5 acre)	US\$3,000.00 or Bz\$6,000.00
Second Block	US\$2,497.50 or Bz\$4,995.00
Third Block	US\$1,997.50 or Bz\$3,995.00
Fourth Block	US\$1,497.50 or Bz\$2,995.00

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

October 17, 1990

Dr. Gerard A. Bertrand  
President  
Massachusetts Audubon Society  
South Great Road  
Lincoln, MA 01773

Dear Dr. Bertrand:

Thank you for submitting the unsolicited Rio Bravo Conservation and Management Project proposal to the Agency for International Development (A.I.D.) for our consideration. The proposal was reviewed by the Development Assistance Executive Committee (DAEC) on September 4, at which time a decision was made to recommend approval of the Project Identification Document (PID), the first step in our project development process. Approval was granted by the LAC Assistant Administrator on September 24, 1990 to move forward with project development. Massachusetts Audubon Society (MAS) is now requested to proceed with the preparation of a more detailed final proposal, following the guidance provided below:

Ownership of the Rio Bravo Management and Conservation Area:  
It is A.I.D.'s understanding that the title to the land in the Rio Bravo area of Belize purchased to establish the Rio Bravo Conservation and Management (RBCM) area will be held by the Programme for Belize (PFB). Moreover, The Nature Conservancy (TNC) will hold the mortgage until its loan to PFB is repaid. Upon purchase of the property and conveyance of the title to PFB, MAS and TNC should consider incorporating restrictions in the deed to: 1) limit property uses to only those that are sustainable and further the objectives of PFB; and, 2) prohibit encumbrances to be incurred on the deed (i.e., the land, or any part thereof, may not be used as collateral for loans nor sold off to repay loans). If PFB defaults on the repayment of the loan, then the land will be in the title of TNC. The revised proposal should clearly describe the history of the ownership of the land; the status of the current negotiations between the owner, TNC and PFB; and the entity in whom ownership will be vested once the negotiations are completed. Supporting documents to be included as attachments to the proposal are: 1) documentation between the current owner and TNC regarding the sale of the land; 2) the letter of commitment from MAS to TNC; 3) the loan agreement between PFB and TNC, including reference to default rights; and, 4) a copy of the title to the property.

Agreement between MAS and PFB: A.I.D. recommends that MAS prepare a Memorandum of Agreement (MOA) with PFB which would

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delineate responsibilities for repayment of the loan with TNC (i.e., who will actually be responsible for making payment on the loan, MAS or PFB?), formalize MAS' involvement and management oversight during the life of the project, and ensure that the land will be used in accordance with sound conservation practices subsequent to the provision of A.I.D. funds. The MOA should address: 1) the terms and conditions for the transfer of A.I.D. funds to PFB; 2) MAS' representation on the PFB Board of Directors and veto authority over any modifications to the charter which would result in changes in the land use pattern for a period of 10 years after the loan is repaid; 3) MAS' involvement and input to PFB's Management Plan; and, 4) MAS' rights should PFB default on repayment of the loan to TNC. The text of the revised proposal should make reference to this agreement and include a draft agreement as an attachment.

The Role of the Government of Belize: Attachments to your original proposal indicated that PFB would hold the land in trust for the Government of Belize (GOB) and, at the expiration of ten years, transfer all trust property to the GOB. Now that PFB is a Belizean corporation, we understand that the GOB no longer sees the need for the land to be turned over to them. The revised proposal should discuss the original and revised agreements between PFB and the Government of Belize, the status of negotiations regarding the revised agreement, and PFB's tax-exempt status. More importantly, PFB should send a letter to the GOB informing them of the Rio Bravo project and including a discussion of the land purchase, the project framework, and the entities involved. The letter should request approval from the GOB for the proposed project for which A.I.D. will be providing \$1.5 million in grant funds. Finally, PFB should explore the possibility of requesting the GOB to propose legislation regarding the long-term designation of the Rio Bravo area as a Biosphere Reserve.

Financial Sustainability: MAS should provide a more detailed analysis of the financial sustainability of PFB, including: 1) a fiscal summary of the purchase (original price, down payment, principal, interest, options, etc.); 2) a detailed budget indicating the sources (both past and present) and uses of funding for the land purchase by year and entity (i.e. A.I.D., MAS, PFB, TNC, Other Donors); and, 3) a projected income and expenditure statement over 5 years for management of the property and PFB's overall program of research, logging, tourism, and development of archaeological sites.

Environmental Sustainability: Pursuant to Federal regulation, and Section 119 of the Foreign Assistance Act, an environmental assessment of the RBCM project, and in particular of logging operations to be conducted in the Rio Bravo area, must be

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prepared prior to initiating any logging in the land purchased under the project. The resource assessment currently being prepared by PFB might contain information that could be used to satisfy this requirement. A.I.D. will review the scope of this assessment to determine whether it is satisfactory. Since the project will be funded from the Congressionally earmarked Global Climate Change appropriation, the revised proposal must also include a justification as to how the project will promote sound forest management in the interest of arresting global climate change.

Timing of A.I.D. Disbursement: Given A.I.D.'s budget process, disbursement to MAS will occur in the second quarter, probably February, of each year. The proposal and budget should be modified accordingly.

PVO Registration: MAS must complete its registration with A.I.D. as a U.S. PVO before it is eligible to receive a grant from A.I.D.

Coordination with Other Relevant A.I.D./USG Projects: MAS is encouraged to explore linkages with other relevant bilateral and regional projects which could assist PFB in such areas as training, park management, legislation, and operational support. These include the Regional Natural Resources Management project managed by ROCAP, the LAC Regional Parks in Peril project implemented by TNC, the Natural Resource Management and Protection and the Fiscal Policy, Planning and Management projects proposed by USAID/Belize, an institutional grant previously provided to PFB by USAID/Belize, the USAID/Guatemala Maya Biosphere Natural Resources Management project, and possible Overseas Private Investment Corporation (OPIC) support for ecotourism. In the revised proposal, MAS should discuss how PFB plans to integrate its management plan with these other Belize-related projects. LAC Bureau technical staff in Washington, D.C. and USAID/Belize could provide guidance in this area, as needed.

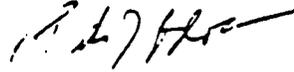
Park Management: In the revised proposal, MAS should clarify who will manage this land and implement the various aspects of the management plan. If Belizeans are to be trained for these positions (A.I.D. recommends this approach), a training plan should be included in the revised proposal.

We welcome the opportunity to work with MAS on this exciting and important initiative. Please contact Jim Hester at 202-647-8093 or Elizabeth Warfield at 202-647-5252 for any clarifications of the above points or for advice in the

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preparation of your revised RBCM proposal. We look forward to receiving the revised proposal at your earliest convenience.

Sincerely yours,



Peter J. Bloom  
Director  
Office of Development Resources  
Bureau for Latin America  
and the Caribbean

Attachments:  
RBCM PID

cc: J. Baird  
M. Jordan

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AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

SEP 21 1990

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, LAC

FROM: LAC/DR, Peter Bloom /s/ Peter Bloom

SUBJECT: LAC Regional - Rio Bravo Conservation and Management  
Project PID (598-0784)

Action Requested: You are requested to approve the attached PID for the subject project.

BACKGROUND: In 1987, the Board of Directors of the Massachusetts Audubon Society (MAS) approved the initiation of a project - the Programme for Belize (PFB) - to protect Central American tropical forest in Belize. The PFB was subsequently established as an independent, non-profit corporation in Belize. MAS continues to provide support and assistance to the PFB and has taken the lead in completing one portion of the PFB strategy - the purchase and protection of 110,000 acres of the Rio Bravo Conservation and Management Area. A.I.D. was requested by MAS to consider funding this unsolicited proposal.

PROJECT DESCRIPTION: The purpose of the five year, \$3.44 million Rio Bravo Conservation and Management (RBCM) project is to protect and maintain the biological diversity of Rio Bravo, including the dozens of CITES - Endangered Species Act - listed plants and animals and to maintain the forest cover in perpetuity which will contribute to the slowing of global climate change. A.I.D. global climate change funds, combined with an additional \$1.94 million from MAS, The Nature Conservancy (TNC), and other external international organizations, will be used to purchase 110,000 acres of prime forest land in the Rio Bravo area of Belize. The RBCM project proposed for A.I.D. funding forms part of the "Programme for Belize" which is a larger, country-wide program of land conservation, environmental protection, economic development, ecological tourism and training, and public education for Belizean nationals. At the end of the proposed RBCM project, a large and important tract of land will be protected in trust for the people of Belize. The PFB will ensure that the biological diversity of that land is safeguarded for future generations and that the area will continue in perpetuity as a multi-purpose biological and archaeological reserve.

The draft Management Plan for the Rio Bravo Conservation and Management Area, developed by the Programme for Belize (PFB), has been accepted by the Government of Belize (GOB) as a plan for the long-term protection and future management of the Rio Bravo conservation lands. The management plan provides significant detail on both the land purchase and the overall program.

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As a result of the DAEC review, LAC/DR recommends that the PID-like document be approved with the following guidance for preparation of the Project Paper-like document:

Ownership of the Rio Bravo Management and Conservation Area: The PID-like document was unclear regarding the status of the ownership of the Rio Bravo Conservation and Management Area. In a meeting subsequent to the DAEC, MAS indicated that the title to the land will be held by PFB and that TNC will hold the mortgage until its loan to PFB is repaid. Upon purchase of the property and conveyance of the title to PFB, MAS and TNC may wish to consider incorporating restrictions in the deed to: 1) limit property uses to only those that are sustainable and further the objectives of PFB; and, 2) prohibit encumbrances to be incurred on the deed (i.e., the land, or any part thereof, may not be used as collateral for loans nor sold off to repay loans). If PFB defaults on the repayment of the loan, then the land will be in the title of TNC. The PP-like document should clearly describe the history of the ownership of the land; the status of the current negotiations between the owner, TNC and PFB; and the entity in whom ownership will be vested once the negotiations are completed. Supporting documents to be included as attachments to the PP are: 1) documentation between the current owner and TNC regarding the sale of the land; 2) the letter of commitment from MAS to TNC; 3) the loan agreement between PFB and TNC, including reference to default rights; and, 4) a copy of the title to the property.

Agreement between MAS and PFB: It was recommended that MAS prepare a Memorandum of Agreement (MOA) with PFB which would serve as the mechanism for transferring A.I.D. funds to PFB, formalize MAS' involvement and management oversight during the life of the project, and ensure that the land will be used in accordance with sound conservation practices subsequent to the provision of A.I.D. funds. The MOA should address: 1) the terms and conditions for the transfer of A.I.D. funds to PFB; 2) MAS' representation on the PFB Board of Directors and veto authority over any modifications to the charter which would result in changes in the land use pattern for a period of 10 years after the loan is repaid; 3) MAS' involvement and input to PFB's Management Plan; and, 4) MAS' rights should PFB default on repayment of the loan to TNC. The text of the PP-like document should make reference to this agreement and include a draft agreement as an attachment.

The Role of the Government of Belize: Attachments to the PID indicated that PFB would hold the land in trust for the Government of Belize (GOB) and, at the expiration of ten years, transfer all trust property to the GOB. This agreement is being revised. Now that PFB is a Belizean corporation, the GOB no longer sees the need for the land to be turned over to them. The PP should discuss the original and revised agreements between PFB and the Government of Belize, the status of negotiations regarding the revised agreement,

and PFB's tax-exempt status. More importantly, PFB should send a letter to the GOB informing them of the Rio Bravo project and including a discussion of the land purchase, the project framework, and the entities involved. The letter should request approval from the GOB for the proposed project for which A.I.D. will be providing \$1.5 million in grant funds. Finally, PFB should explore the possibility of requesting the GOB to propose legislation regarding the long-term designation of the Rio Bravo area as a Biosphere Reserve.

Financial Sustainability: The PP-like document should include a detailed analysis of the financial sustainability of PFB, including 1) a fiscal summary of the purchase (original price, down payment, principal, interest, options etc.); 2) a detailed budget indicating the sources (both past and present) and uses of funding for the land purchase by year and entity (i.e. A.I.D., MAS, PFB, TNC, Other Donors); and, 3) a projected income and expenditure statement over 5 years for management of the property and PFB's overall program of research, logging, tourism, and development of archaeological sites

Environmental Sustainability: Pursuant to A.I.D. regulations, and Section 119 of the Foreign Assistance Act, an environmental assessment of the RBCM project, and in particular of logging operations to be conducted in the Rio Bravo area, must be prepared prior to initiating any logging in the land purchased under the project. The resource assessment currently being prepared by PFB might contain information that could be used to satisfy this requirement. LAC/DR/E will review the scope of this assessment to determine whether it is satisfactory. Since the project will be funded from the Congressionally earmarked Global Climate Change appropriation, the PP-like document must include a justification as to how the project will promote sound forest management in the interest of arresting global climate change.

Timing of A.I.D. Disbursement: The PID proposes disbursement by November 1 of each fiscal year. Given A.I.D.'s budget process, disbursement to MAS will occur in the second quarter, probably February, of each year. MAS was informed of this and will modify the PP document and budget accordingly.

PVO Registration: In the 9/7/90 meeting, MAS was asked to expedite completion of the registration forms to allow for sufficient time for processing by A.I.D.

Coordination with Other Relevant A.I.D./USG Projects: MAS was encouraged to explore linkages with other relevant bilateral and regional projects which could assist PFB in such areas as training, park management, legislation, and operational support. These include the Regional Natural Resources Management project managed by ROCAP, the LAC Regional Parks in Peril project implemented by TNC, the Natural Resource Management and Protection and the Fiscal Policy, Planning and Management projects proposed by USAID/Belize, an OPG provided to PFB by USAID/Belize, the Maya Biosphere Natural Resources Management project, and possible OPIC support for

ecotourism. In the PP-like document, MAS, with guidance from LAC/DR/E and USAID/Belize, should discuss how PFB plans to integrate its management plan with these other Belize-related projects.

Park Management: In the PP-like document, MAS should clarify who will be managing this land and implementing the various aspects of the management plan. If Belizeans are to be trained for these positions, a training plan should be included in the PP-like document.

Project Management: The project will be managed by USAID/Belize with funding provided to USAID/Belize through an OYB transfer from the Environment/Global Climate Change project (598-0784).

Recommendation: That you sign the attached PID.

Attachments:

1. Rio Bravo Conservation and Management Project PID
2. Information Memorandum/DAEC Issues Paper dated September 4, 1990

Drafted by: EWarfield:0469M:9/17/90

Clearances:

LAC/DR:JWilson	(Draft) Date	9/17
LAC/DR:JHester	(Draft) Date	9/18
LAC/DR:EBrineman	(Draft) Date	9/19
LAC/DP:BSchouten	(Draft) Date	9/20
LAC/CONT:CADams	(Draft) Date	9/18
LAC/GC:KHansen	(Draft) Date	9/19
SA/AA/LAC:KHarbert	_____ Date	_____
DAA/LAC:FSchieck	_____ Date	_____

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