

LEADER WITH ASSOCIATES COOPERATIVE AGREEMENT

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for

World Wildlife Fund

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Global Conservation Program Activity Report for World Wildlife Fund

Summary of Activity Status and Progress

INTRODUCTION

To pave the way in achieving WWF's global goal of conserving biodiversity in the Global 200, the ECOSNature project seeks to conserve the full extent of biodiversity in the Southwest Amazon, Atlantic Forests, Forests of the Lower Mekong, Sulu Sulawesi Seas and Bering Sea ecoregions. These provide testing grounds to strengthen ecoregion conservation as an innovative approach for broad-scale conservation. This project relies on fundamental principles of learning and adaptive management which are promoted through core project management through various exchange and communication mechanisms.

The past six months of the ECOSNature Project resulted in steps forward for further developing actions to achieve ambitious, long-term biodiversity visions. The following provides brief highlights followed by more detailed information on results supported by USAID.

HIGHLIGHTS

- The second annual **GCP Learning Across Boundaries** workshop conservation partners and identified five tangible follow-up actions for collaborative work.
- In addition to publishing the biodiversity vision for the **Forests of Lower Mekong**, WWF facilitated one of the first joint ventures in Vietnam between a private company (SCANCOM), and international NGO (WWF) and the Vietnam Government SFEs. An agreement has been reached to manage 40% of the forest for biodiversity conservation, while ecologically sustainable timber harvest will occur throughout the rest.
- In the **Southwestern Amazon Forests**, the Forest Stewardship Council (FSC) officially approved Peru's Brazil nut management standards in October 2001. For the Amboró-Madidi Corridor, consultation with local actors is now underway for the creation of the Altamachi-Covendo-Cotacages, a new protected area.
- In the **Bering Sea**, anti-poaching brigades and a satellite monitoring system have enabled great strides forward in enforcement against illegal fishing spurring the potential to use these strategies as models in other parts of the Bering Sea. In addition, a letter of support from the new governor of Chukotka is a welcome sign of positive political will.
- Widespread national media attention for the Friends of the Reef is raising awareness across the **Sulu Sulawesi Seas** ecoregion and lessons learned on Bunaken's financing mechanism have been successfully transferred to Bali Barat Park, two critical areas in the SSME.
- In the **Atlantic Forests**, the Paraguayan government declared two new protected areas (Arroyo Blanco and Estancia La Golondrina) and funds were leveraged towards NGO partner Guyra Paraguay's international campaign for land purchase in the San Rafael core area.

Project Management

Strategic Goals & Objectives

To conserve the full expression of biodiversity in all EcosNature ecoregions.

Collaborators/Partners

- USAID – Global Bureau
- GCP partners

For EAI:

- SERNAP
- Bolivia Ministry of Sustainable Development
- USAID Bolivia

Summary

Core project management plays an essential function for facilitating learning and coordinating communication across ECOSNature ecoregions, the WWF network and the broader conservation community.

Highlights

Project Management:

- Second annual “Learning Across Boundaries” GCP workshop that led to several proposals for collaborative follow-up work.
- A series of activities in economic incentives and conservation finance has catalysed innovative pilot studies in the Asia/Pacific region.
- A Conservation/Gender Alliance has formed to explore opportunities for advancing collective learning on population/gender issues.

EAI:

- Fundacion Puma board met for the first time with follow-up plans for ongoing projects.

Results by Objective and Activity

Objective I: Mobilize Conservation Action on an Ecoregional Scale

Result 1.1 – Effective programmatic and financial administration to advance conservation impacting ECOSNature ecoregions

The EcosNature coordination team has changed with the departure of Sheila O'Connor and arrival of Judy Ogletorpe as Program Director. While no longer a part of the core management

team, Sheila will continue to be a vital asset for learning as part of the WWF Network. In addition, Gautham Rao has left and we have a new research assistant, Jennifer Reed as well as intern Miranda Mockrin. As a team we continue to work with WWF staff in Washington, the field and broader expertise in the WWF Network to support exploring ways of advancing conservation in the leader ecoregions as well as provide technical assistance in exploring associate agreements under the LWA to expand USAID support in Global200 ecoregions.

Result 1.2 – Facilitated activities and communication as opportunities for exchange and learning to advance ecoregion conservation implementation

Workshops

Back by popular demand, WWF hosted a second meeting “Learning Across Boundaries” which included partners in the USAID-funded GCP. This meeting took the exchange and learning a few leaps forward to discuss specific issues such as sustaining our large-scale efforts and identify when and how collaboration across our organizations can advance global conservation. Participants walked away with tangible conservation finance tools and developed proposals for collectively tackling conservation issues most salient across the conservation community. Jointly defined proposals included an action plan for addressing three shared common threats, integrated implementation at specific sites (e.g. Palawan), ideas for creatively communicating to political and donor interests, a research agenda on area-sensitive species in large-scale planning, and a portfolio of freshwater conservation cases for ecologically sustainable water management. The inspiration these working sessions generated helped to nail down responsibilities and timelines such as using the Vth World Parks Congress in 2003 as a benchmark to present results. The proceedings for both “Learning Across Boundaries” will be combined onto one cd-rom which is now in production. Pending further dialogue amongst the GCP partners, it is likely that WCS will take the lead in hosting next year’s workshop.

Initial follow-up discussions are underway for several of the proposed actions (e.g. area sensitive species, freshwater case studies). After some delay in gathering input from various conservation partners, the design and planning for a large-scale conservation freshwater workshop is underway with a date and venue to be announced shortly.

Communication

In our planning toward a large-scale conservation Internet site, we identified a greater need to assess exactly who our stakeholders are and what it is they know, need to know, have to share, and who we can connect them to and how. We are now working in partnership with Origo Inc. to improve our system for information management to best support communications about large-scale ecoregion conservation within WWF as well as across the conservation community. Origo, a knowledge management group, is conducting needs analyses and stakeholder assessments, reviewing existing systems and processes, and will, ultimately, provide recommendations for systems and tools that can best organize information and facilitate its communication. These results may include information technology prototypes that utilize user profiling and/or user interaction to provide meaningful, effective, and targeted information and communications to all users.

Specific communication products developed in the last reporting period include:

- * "Ecoregional perspectives in conservation: recent lessons and future directions" in *Biological Diversity – Balancing Interests through Adaptive Collaborative Management* 2001
- * Sharing Across Boundaries:
Issue III: Economics and Ecoregion Conservation: The Burning Questions
- * *Social Dimensions in a Biological World: Integrating Gender and Conservation in Priority Ecoregions*. 2001. WWF Conservation Strategies Unit. Washington, DC: WWF.

Other selected communication products in production include:

- * "Learning Across Boundaries: Broad-Scale Conservation" proceedings for Adirondacks workshop
- * "Ecoregion Conservation: A Portfolio of Stories" (this includes profiles of Atlantic Forests and Bering Sea)
- * Sharing Across Boundaries:
Issue IV: Freshwater and Ecoregion Conservation: The Burning Questions
Issue V: Watersheds and Ecoregion Conservation: The Burning Questions
- * *Conservation on a Crowded Planet*. 2001. WWF Conservation Strategies Unit. Washington, DC: WWF. (In Press)
- * *Mapping the Connections: The Madagascar Overlay Maps Experience*. 2001. WWF Conservation Strategies Unit. Washington, DC: WWF. (In Press)
- * "Large Scale Conservation - Who's doing what, where?" cd-rom of SCB poster presentation

Result 1.3 – Facilitate innovative grants

Economic Incentives/Financial Sustainability

THE GREEN Freshwater workshop was designed to increase the capacity of practitioners working in freshwater ecoregions located in Asia and the Pacific. WWF partnered with the University of Queensland in the delivery of the workshop, which included conservation practitioners from China, Pakistan, Malaysia, Indonesia, PNG, and Australia. The Workshop used a process approach to identify and learn about economic tools that address threats to conservation in freshwater ecoregions (e.g. Mekong). This particular workshop proved to be the most successful of the GREEN workshops held to date. Applying lessons learned in previous workshops, the selection of participants was more strategic, both in terms of decision-making responsibilities and teamwork (i.e. better representation from each ecoregion). Overall, participants and resource persons were very pleased with the results and final outputs included six well define pilot initiative concepts.

The Economics Support Initiative (ESI), together with the Ecoregion Conservation Strategies unit, has assisted the ecoregions in more detailed planning for these pilot initiatives. Three of the pilot initiatives are being financing under the LWA grant. The ESI and WWF's Sustainable Economics Network (SEN) will continue to provide the case studies with technical support. After 12 months, the full portfolio of pilot initiatives will be published as work-in-progress, providing 'living examples' of how economic tools have been or are being used and how they are contributing to the higher goals in the ecoregions.

One particular element highlighted in the implementation of these pilot initiatives is collaboration with local and national government and with other NGOs aiming to achieve similar short and

long-term goals. In New Guinea (which includes Papua New Guinea and the Indonesian province of West Papua), WWF is collaborating with The Nature Conservancy and Conservation International, as well as the University of PNG and other stakeholders, in the design and implementation of the study. The study will begin with a collaborative workshop that will enable WWF to identify with partners the short and long-term goals of these types of economic approaches. For instance, in West Papua, CI are doing a province wide analysis of community livelihoods, infrastructure and provincial spending - engaging the provincial government in order to influence their planning. The pilot initiatives WWF implements in that province will provide critical information to CI's analysis, and likewise, the data that CI gathers during its process will input into WWF's analyses. Upfront discussions at the start of the study to discuss implementation approaches is critical. Likewise, in PNG, The Nature Conservancy is interested in analyzing the upstream impacts of oil palm plantations on the marine resources in Kimbe Bay. WWF's analysis on the oil palm industry at different levels will enable TNC to transfer information and methodologies to perform similar analyses in the areas where they are working.

Global Trends

Unsustainable agriculture is a considerable threat to many of the G200 ecoregions, the LWA ecoregions included. In a WWF meeting held in December, the internal experts on agriculture pooled their knowledge and ideas to identify the critical issues to define how the WWF Network as a whole can be harnessed for promoting research and actions to address agricultural pressures. Models for engaging the agribusiness industry and promoting best practices have already reaped positive impacts for conservation such as with shrimp and oil palm in Asia and Latin America. Jason Clay, a principal expert in this area with considerable experience working directly with the agribusiness industry, is taking the lead for agriculture for the WWF Network. Preliminary discussions have begun with ecoregion teams for the first pilot LWA ecoregions to identify regional expertise and partners. Field visits will begin in the spring and early summer.

Monitoring and evaluation

Following on the GCP workshops of the last two years, early discussions are in place to explore how to best continue learning on monitoring and evaluation techniques and approaches. For instance, TNC is exploring the use of a business model 'audit' at the site level that may have potential for identifying the elements of M&E at larger ecoregional scales. WWF is in discussion with TNC to work more closely at a conceptual and practical level. Preliminary planning includes drafting a concept piece that will be submitted for presentation at the SCB 2002 meeting. The focus of this piece will be to synthesize the various M&E approaches across the GCP and other pertinent conservation efforts and identify the current gaps and compelling questions for measuring progress in improving the health of biodiversity and abating threats.

On a related note, discussions are taking place for a joint forum that will look at the definition and composition of Conservation Plans at ecoregional/large scales. This forum will be a half-day event held in March and include panel members from relevant GCP members to discuss at a deeper level conservation planning and lessons learned to date.

Engaging Stakeholders

Gender issues

Several activities over the past reporting period highlighted an emerging need to focus more closely on the gender/conservation nexus. This included a Gender Forum that was held jointly by TNC/WWF/WIDTECH that brought together conservation and gender/population specialists from multiple non-governmental, governmental, and donor organizations. This forum profiled

case studies that addressed the impact of population/gender dynamics on conservation as well as the implications for strategies to mitigate threats. (The proceedings are in final form and will be published shortly.) Following this one-day forum, representatives from several of these groups met to refine at a deeper level the potential for collaboration on gender issues in conservation. Each organization identified the strengths and constraints within their institutions to addressing gender issues and potential means of collaborating that would advance our collective understanding and impact. Out of this emerged the Conservation/Gender Alliance (ConGA). This productive meeting marked actions for the coming year such as opportunities for exchange, learning, capacity-building as well as peer review of papers to represent a collective voice at events such as the Finnish meeting of environmental ministers from around the world as well as the WSSD meeting in Johannesburg. This nascent alliance seeks to build on existing institutional capacity and structures as well as catalyze new ways to expand our knowledge and conservation impact such as through a potential learning portfolio. This portfolio would attempt to look systematically at experience to date across the organizations to define assumptions and conditions for gender interventions/actions that advance conservation. One specific WWF event we will use to keep the momentum in advancing our discussions will be another roundtable held in the spring in association with our second annual Women and Conservation Recognition Awards.

WWF has supported population/gender work for several years and in order to assess the effectiveness of these activities, has initiated a population/gender review. Working with Foundations of Success and expert consultants, this review will cover a desk-top study of past activities combined with field site visits to Madagascar, East Africa Marine, Northern Andes and Nepal/Terai Arc. Activities under review include gender training, small grants for a variety of strategies (from family planning to environmental education) and girls scholarships. This internal evaluation to be completed by June, will help to inform WWF's involvement in broader learning generated by the Conservation/Gender Alliance.

Result 1.4 – WWF Bolivia assist in establishment and management of the Enterprise for the Americas Initiative Foundation (EAI) in Bolivia

This activity seeks to strengthen the level and quality of conservation funding in Bolivia which includes six Global 200 ecoregions: Southwest Amazon, Pantanal, Andean Yungas, Chiquitano Dry Forest, Cerrado Woodlands, and Central Andean Puna. WWF is working with P.U.M.A. (Fundacion de Proteccion y Uso Sostenible del Medio Ambiente) to establish the EAI. The primary goal is to achieve high standards of transparency, efficiency and accountability in the establishment and management of foundation funds.

Activity 3.1. Foundation Management

No significant progress on the Foundation's management as yet. Fundacion PUMA endowment funds are still under the control of the Government of Bolivia. Many efforts to reach an agreement to release control of the funds in Fundacion PUMA's favor haven't yet succeeded. USAID and GoB are still negotiating a mutually satisfactory arrangement where PUMA can have full and unimpeded access to its funds. Due to this situation, PUMA has not yet taken off with the much-needed disbursement of funds for conservation work. One board director resigned in frustration at this stagnant situation. USAID officials believe we are getting closer to resolving this issue, and it should be cleared up before the upcoming national elections in June 2002.

Activity 3.2 Support for Institutional Continuity

In the meantime, all WWF funding to PUMA was directed to ensure the institutional survival during the time it takes to resolve the issue of fund control. Four main activities were undertaken:

- Inventory and report of fixed assets from FONAMA to PUMA
- Selection of a General Manager for PUMA
- Board meetings
- Follow-up with ongoing projects

Financial and Operational audits were carried out and the reports were submitted and accepted by the board. All fixed assets were inventoried and reported to the new PUMA board but not transferred yet until the question of ultimate control of the funds is clarified. All existing documentation was inventoried and is now ready to be handed over to PUMA, also pending the resolution of fund control.

The selection process for new office space was done via newspaper ads, the different options evaluated and a written report submitted to the Board. The board approved the terms of reference for the General Manager and a HR company hired to publicize, interview and provide short-listed candidates. All this has been done.

The Board met on July 2 and 3rd for the first time, with WWF participation, and a calendar for meetings established. Only two other general meetings were held due to budget restrictions, and the inability to access the funds in order to start a planning and funding cycle. Most contact between board members is informal yet valuable to move the process along.

A follow-up plan was drawn up for 8 ongoing projects and 2 ending projects. Reports from ongoing projects have been duly processed and revised, including 2 field project visits. Only one project has received a new disbursement.

Table of Progress

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
1.1	Effective programmatic and financial administration to advance conservation impact in ECOSNature ecoregions	On-track

1.2	Facilitate activities and communication as opportunities for exchange and learning to advance Ecoregion Conservation implementation	On-track
1.3	Facilitate innovative grants	On-track
1.4	Strategic technical advice provided in the establishment and development of the Enterprise for the Americas Initiative Foundation (EAI) in Bolivia to support Ecoregion Conservation in six Global 200 ecoregions.	Mixed Performance
1.4	Legal documents completed and now in the process of being legalized.	Completed
1.4	Operational manuals completed and approved by Technical Working Group. The manuals have defined the process of Board selection, which has been initiated.	Completed
1.4	Communications strategy developed	Planned for 2001
	Provisional Board formed and in the process of selecting the new Board	Completed
1.4	Board structure and responsibilities established.	On-Track

- Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Next steps

The most urgent task between now and June 2002, is to ensure the complete legal and administrative handover of funds from FONAMA to PUMA, before the national elections. This will require continued talks at high government levels by USAID officials. It is likely that during the ensuing months, PUMA will require minimal operating funds, and a contingency funding plan must be drawn up soon.

Challenges and lessons learned

It is clear that the road to making amendments in government to government agreements has more pitfalls than we ever imagined. The transition from a publicly run fund to a private one has taken much more time and effort than anyone involved ever budgeted for. It has been more than two years since USAID decided to privatize the EAI fund and we still aren't there.

Bering Sea Ecoregion

Strategic Goals & Objectives

The objective of the Bering Sea program is to conserve the globally significant biodiversity of the Bering Sea by protecting key sites and wildlife populations, as well as shaping development policies for improved stewardship in collaboration with local communities, the private sector and US and Russian governments.

Collaborators/Partners

Alaska Marine Conservation Council
Aleutian/Pribilof Islands Association
Association of Marine Mammal Hunters
Audubon Society of Alaska
Beringia Ethnic-Nature Park
Children's Library of Anadyr
Kaira Club
Kamchatka Fisheries Management Agency
Kamchatka Region Parks Administration
Naukan Cooperative
Northern Pacific
North Slope Burrough
Pacific Environment and Resources Center
Pribilof Islands Stewardship Council
Russian Academy of Science
Russian Association of Indigenous Peoples of the North
Russia Program Office
The Nature Conservancy of Alaska
TRAFFIC - Europe
US Fish and Wildlife Service
Wild Salmon Center
Yukon Kuskokwim Health Corporation
Yupik Association

Summary

In the past six months, WWF has begun to adjust to new political circumstances in Russia, taking advantage of opportunities presented by a new, more progressive administration in Chukotka and looking for new strategies in Kamchatka and Koryakia, where the Communist Party is now the ruling party in both places. Far away in Moscow, the effects of other changes are gradually being felt in the Bering Sea. President Putin's derailing of the main environmental protection agencies continues to confound the process by which protected areas are established and managed. Another change in the upper echelons of power, the appointment of a notoriously corrupt politician to head the Federal Fisheries Committee, is cause for alarm over the future of management of Russia's marine resources.

Our most tangible successes are evident in the non-controversial fields of environmental education and awareness raising. In Russia, our Living Planet Clubs multiply and offer new opportunities for the young people of the region to participate in conservation, science and outdoor education. In Alaska, this concept is also being welcomed in communities where we have introduced it, and where we have invested time and leadership in developing the program.

In the eastern Bering Sea, much of our energy and attention has been diverted to issues surrounding fisheries management and the impact of the groundfish fishery on species such as the Steller Sea Lion. Our efforts to address fisheries management in the western Bering Sea have been directed on improving enforcement through our pilot project in satellite monitoring. While we regard this project as successful, in the next stage of development we will have to integrate other enforcement agencies into this project to ensure a coordinated, well-supported system.

Building partnerships and defining our role in the ecoregion is a continual process. While this year we have been active participants in a newly formed "Alaska Oceans Network" of NGOs in Alaska, we are realizing that the heavy investment of time required to be participants may not have the returns on conservation action which we predicted. As a result, we are stepping back from such activities and being more selective about partnerships and memberships in such coalitions.

Our partnership with The Nature Conservancy of Alaska (TNC), however, continues to yield results. On the habitat protection front, we have focused on the Pribilof Islands, where we have joined with and the communities of St. George and St Paul as well as with TNC federal agencies, to develop a Pribilof Islands Conservation Plan.

The challenge for the next phase of our program may be in more narrowly focusing our efforts where the likelihood of success is greatest. Our Bering Sea team is strong, made up of energetic and skilled individuals who communicate well across large distances and many time zones. However, with only a small number of staff and limited resources, we must select our projects and investments carefully. The past two years have helped us to learn a great deal about the region, establish partnerships, gather important information about the biological resources of the Bering Sea and select priority areas and programs for development. In the coming year, we need to focus on making gains in terms of depth (of knowledge and investment of effort), rather than breadth, to make further progress.

Results by Objective and Activity

Objective I: Protect key sites in the Bering Sea by establishing three new protected areas and enhancing management in two existing areas

Result 1.1 : Establishment of Marine Zone for Nalychevo Nature Park

The regional administration of the Kamchatka Parks Department – WWF's primary partner on Kamchatka (Vitaly Menshikov is the agency's director) – this year concluded an agreement with the fisheries management agency Kamchatrybvod to create a marine zone of special protection in the coastal waters off Nalychevo Park. The extent of the zone (1 or 3-mile) is still under negotiation but in any case, the marine zone will be under the shared management regime of both the Parks Department and Kamchatrybvod. In December, Mr. Menshikov will be

presenting the agreement and plan for the marine zone to the Governor of Kamchatka, with a request for a Governor's decree that would legally strengthen the agreement between the two nature protection agencies.

On-the-ground work to improve protection of this area continued with the construction this summer of a second ranger cabin, to be shared by Nalychevo park personnel as well as Kamchatrybvod fisheries inspectors. (Menshikov traveled to the coast with Kamchatrybvod Director during the summer to select a site for the cabin that would be beneficial to both agencies). See *Annex 1.1*

Result 1.2: Establishment of a Marine Protected Area in Karaginsky Bay

As previously reported in the last semi-annual report, the December 2000 gubernatorial elections in Koryakia (the northern jurisdiction on the Kamchatka Peninsula, which encompasses Karaginsky Bay), resulted in a changing of the guard. The new governor, Mr. V. Loginov, who is a former head of "KoryakGeoMining" one of the largest mining enterprises in the region, had first professed support for WWF's idea of creating a series of marine/coastal protected areas in the Karaginsky Bay region. When WWF's expert Vladimir Kiprianov prepared a plan for the creation of 4 reserves, the governor then publicly took a firm stand in opposition to the plan, expressing fear that these reserves would hinder economic growth of the region. WWF used local media to conduct a mini-campaign in support of the plan, which has support even from local Duma members. However, these factors have not led to the legally establishment of the reserves. WWF, along with the Wild Salmon Center, approached the Governor again to ask for his support. Although he indicated that he may change his position in favor of our work, additional negotiations are needed with local and federal authorities to push for the establishment of these marine/coastal reserves in the Karaginsky region.

Result 1.3: Establishment of a marine/coastal protected area in Chukotka Region

With the election of Chukotka's new governor, Abramovich, WWF Russia is taking full advantage of an administration that is open to new ideas about protected areas, conservation, and environmental education.

In August of 2001, WWF Russia's regional program director Viktor Nikiforov and education coordinator Anisia Shepeleva traveled to Anadyr, Chukotka, where they met with WWF partners as well as the governor himself. Viktor was invited to accompany Governor Abramovich on a field trip to a remote coastal village. During this time, they discussed potential areas of cooperation in conservation between WWF and the new administration. These areas included:

- increasing the status of the regional Beringia Park to a National Park
- protecting habitat around Anadyr River Estuary
- supporting environmental educational programs for children

In the last semi-annual report, we recorded that Chukotka's new Governor is also the president and owner of Sibneft, one of Russia's largest oil companies. Since then, oil exploration has begun on the Chukotka coast, in the Anadyr River Estuary, a high priority area for biodiversity. Although we have not yet conducted a field site to this area of oil exploration, we do know that development is occurring adjacent to a protected wildlife refuge, and according to some scientists, actually may have encroached into the reserve.

WWF Russia staffs are now most concerned with monitoring the oil development here, and are preparing to identify the most critical and sensitive habitats to be given strict protected status. During their site visit to Chukotka in August, Viktor Nikiforov and Anisia Shepeleva conducted negotiations with the regional administration of Chukotka, as well as with Governor Abramovich himself. As a result of these discussions, the governor signed an official letter on August 21, 2001, in which he asks WWF to assist in developing three coastal wildlife refuges, Avtotkul', Tundrovyi, and Tumansky zakazniks. Although these refuges exist in paper, actual protection is very weak. In fact, we have unconfirmed reports that oil exploration has encroached upon the boundaries of one of these reserves. The Governor's staff has proclaimed a willingness to work with WWF to provide better protection of these refuges, expressing a spirit of cooperation that would be unprecedented in NGO-government-private sector relations.

During their visit to Alaska in October, WWF-Russia's Viktor Nikiforov and Anisia Shepeleva traveled with WWF Bering Sea coordinator Margaret Williams to the Kenai Peninsula to learn more about oil development in the north. During this field trip they met with the public outreach representative of the Kenai Regional Citizens' Advisory Council, to learn more about citizen involvement in monitoring oil and about structures established to ensure oil companies' accountability to the environment and to the public. Additionally, the WWF group visited a Tesoro Oil Facility and the Kenai National Wildlife Refuge. The refuge has direct experience interacting with the oil industry, as part of refuge lands are used for development.

Other news from Chukotka: WWF is still awaiting the results of our nomination to UNESCO of Wrangel Island Zapovednik for World Heritage status. In the meanwhile, in reply to a special request from the department of nature reserves in the Russian Ministry of Natural Resources, WWF published a Russian-language version of a brochure on Wrangel Island and its special biodiversity features. **(Please see attached version of the booklet).**

Result 1.4: Beringia Ethnic Cultural Park

Since WWF began working to support improved conservation in this regional park, our main counterpart – a self-appointed “head of protected areas” in Chukotka, has since been dismissed. For several months this year, we were unable to make progress, while the vacuum of leadership was filled and while the new administration developed its policies on protected areas. So far, the outcome is very positive. New momentum is gathering to upgrade the status of the regional park to a National Park, which will afford it greater protection status and will make it eligible for federal funds.

Following the discussions mentioned above (see section 1.3) between WWF's team, (Viktor Nikiforov and Anisia Shepeleva), and the Governor Abramovich, WWF received official agreement from the administration that WWF, as the organization with the most extensive experience in establishing protected areas in the Arctic, will take active part in the process of planning the new National Park. WWF Russia has developed a plan for the administration which spells out the necessary steps for achieving Federal Park status.

In addition to gaining a new governor who has already made huge, positive changes in the region, Chukotka gained a new Duma representative whose election is another sign of hope. Vladimir Etylin is a friend of WWF and a friend for conservation efforts. Both he and the Governor support the concept of creating a National Beringia Park, with clearly defined zones for recreation, traditional resource use, and strict protection. **(See attached article about their support in appendices).**

In December, 2001, with assistance from outside experts, WWF will evaluate the existing “technical- economic justification” which had been drafted by the Vladivostok Institute of Geography in 2000. We expect that WWF-Russia will be included in the official working group/advisory board tasked with creating the new Beringia National Park.

Objective II: Shape the development policies for improved stewardship in collaboration with local communities, the private sector and the Russian Government

Result 2.1: Support for the anti-poaching brigades in the Karaginsky Region

For the first year, in order to expand what had been a successful project with Kamchatrybvod, WWF initiated a new project with Koryakrybvod, the fisheries management agency based in northern Kamchatka (counterpart of Kamchatrybvod). This project, a “contest” for the most effective inspector, which provided cash bonuses to the awardees, had the dual effect of lighting a fire under a sleepy government agency as well as drawing attention to the Karaginsky region as an area so important for biodiversity that it had earned this special focus from an international conservation organization.

Koryakrybvod reported that this season, the number of poachers caught increased overall, with the implication that the contest spurred greater activity among the inspectors. The results of the 2001 fishing season in the Karaginsky zone show that enforcement officials recorded 340 violations. Thirty-one tons of salmon and 10 tons of caviar were confiscated, along with 96 various pieces of fishing gear (nets, pots, traps, etc) and 23 small boats. The value of this equipment, as well as fines levied, and funds lost as a result of temporary bans on fishing, exceeded \$400,000.

Result 2.2: Enhancement of Fisheries Enforcement through Satellite Monitoring System

This program continues to be one of the most important projects we have developed with support of USAID funds. The program allows us to work with one of the key management agencies, and to support a small group of young, bright, and motivated inspectors who would otherwise have no support for their innovations in law enforcement.

In the first six months of this year, 201 fishing vessels were cited for violations of fisheries laws or regulations. Arrests of vessels – and temporary removal of fishing permits – resulted in 317 lost fishing days, equal to approximately one million dollars. The Kamchatrybvod group also reports that the Federal Border Guard identified and arrested 5 fishing vessels fishing illegally in the buffer zone of the Commander Islands Zapovednik (strict nature reserve).

During the summer season, the inspection team supported by WWF continued to develop the software technology needed to perfect the complex system they had established to monitor fishing vessels in the western Bering Sea.

This technology was put to the test when in July the inspection team conducted a spot raid on vessels fishing illegally in the western Bering Sea. During the raid, which lasted for ten days, the inspectors used their technology to determine the identification of vessels they spotted at sea, and to determine whether these boats were fishing in areas for which they were permitted. Given our special interest in Karaginsky Bay, the inspector ship focused on this region for their

pilot raid. One of the main objectives of the raid was for the sea-bound inspectors to use their system to access and analyze data that reaches Kamchatrybvod through the satellite system to monitor the position of fishing vessels and information about individual vessels identified. Inspectors excitedly reported that their system worked. Within ten minutes of sending information requests through their computers on board the inspection vessel, they were able to receive the necessary reply that allowed them to determine legality – or violation – of fishing boats they spotted. During their ten days, the inspection teams conducted checks of more than ten fishing boats and as many nets in the water. Two citations were issued for violations of the Law on Fisheries, and a permit was revoked from one fishing vessel. Inspectors confiscated 23,750 kilograms of illegally harvested chum salmon, 1000 kg of sockeye, and 500 kg of pink salmon.

The ability to remotely access such information is one that requires highly developed technology. Of all of the *Rybvods* operating in Russia, Kamchatrybvod is the only branch that has this technology.

In the coming year, it will be important to magnify the results of this program by facilitating greater cooperation between Kamchatrybvod and other enforcement agencies so that a better coordinated interagency effort is in place to protect the marine resources of the Bering Sea.

Result 2.3: Creation of the “Living Planet” Clubs

◆ Training seminar in Moscow

In June 2001, Russia coordinator for the Bering Sea program, Viktor Nikiforov and his colleague, Anisia Shepeleva, held a training workshop in Moscow for Living Planet Club leaders from eastern Russia to share experience and gain new skills in leading such educational initiatives. Vadim Kalinin, WWF's educational expert, also participated as a seminar instructor. More than 20 participants attended the workshop. For three days, these teachers and club leaders worked to develop a unified educational program under the title “friends of WWF.” They exchanged their experiences from their various regions and learned new methods and approaches in environmental education, outreach and in developing work plans.

◆ New LPC in the Bering Sea

New activity for the Living Planet Clubs is simmering in Chukotka, where WWF identified a new project coordinator for this activity in the small city of Provideniya. Here WWF purchased a computer for the local children's library, which will serve as the base for our educational activities. In March our Living Planet Club coordinator in Anadyr, Ludmila Lazutina, flew to Provideniya to meet with the new coordinator to the program and provide some overview of activities that should be initiated for children in the Provideniya region.

In August, during his visit to Chukotka, Viktor Nikiforov visited the coastal village of Lavrentia, where he had very positive discussions with the newly elected head of the local administration, Mikhail Zilensky. Mr. Zilensky approved of WWF's idea to expand the children's club to this community. With Governor Abramovich's support for these children's activities, we are now exploring the creation of kid's clubs in Lavrentia, Bilibino and Pevek, (large communities in Chukotka), and other communities in the region.

This summer, for a second year, WWF sponsored a children's art contest for drawings highlighting nature of the Bering Sea. The winning illustrations have been selected and are soon to be published in a calendar for 2002. (WWF will print 1000 copies, to be distributed mostly on the Russian side of the ecoregion, but key partners in Alaska will also received the

calendars). We hope to conduct an international calendar contest next year, with children from around the ecoregion participating.

◆ **LPC in Alaska**

On the eastern coast of the Bering Sea in Alaska, the idea of the Living Planet Club was met with popularity in two communities, where WWF introduced a summer science camp for middle-aged children. Working in partnership with a local teacher in each village, one WWF staff scientist and our educational consultant, a former grade school teacher, led three-day camp sessions during which children learned to keep natural history journals; went on interpretive field walks; collected insects, marine organisms, and invertebrates from their local streams; and selected a science project which they would complete by the end of the summer. Although the number of students participating is small –in both communities, WWF was pleased at the level of local teacher and parent interest, which may help to keep the program going. *See Annex 1.2*

◆ **LPC coordinators from both coasts meet for first time**

Following a summer full of activity, in October, WWF organized the first Russian-American meeting of informal educators from around the Bering Sea. Our group of ten educators gathered in Anchorage, Alaska, for a two-day seminar to identify priority needs for education in the ecoregion, as well as opportunities for transboundary cooperation throughout the Bering Sea. WWF educational consultants facilitated the workshop, and made available ample teaching materials – some in the Russian language to participants as samples of hands-on curricula to be adapted in different settings.

Alaskan participants included two teachers from Kotzebue, a teacher from Unalakleet (Henry Oyoumick), a teacher from Elim (Rick Holt), a local businesswoman involved in US-Russia exchanges (Tandy Wallack), a leader of the Pribilof Islands Stewardship Program (Karin Holser) and WWF Bering Sea program director Margaret Williams. From Russia, participants included a museum worker from the Commander Islands (Nina Kayakina), Living Planet coordinator from Kamchatka (Ludmila Romanova), our Living Planet Club coordinator from Anadyr (Ludmila Lazutina) and the director of the WWF Eco-School (Vladimir Sertun), plus Viktor Nikiforov and Anisia Shepeleva from the Russia Program Office of WWF. Due to visa/passport problems, two additional representatives from Chukotka were unable to come. *See Annex 1.3*

Result 2.4: WWF Eco-school in Anadyr, Russia

With support from WWF, the Eco-school is now functioning with a fully equipped storehouse of tents, sleeping bags, cookstoves and other camping necessities for the high-school aged children that take part in this summer outdoor adventure program. With matching funds, WWF Russia purchased a mini van for the director of the EcoSchool, Vladimir Sertun, to drive the young adventurers to the EcoSchool, which is ten kilometers from the center of Anadyr. (Previously he and the kids had to depend on bikes, catching rides with the rare vehicles that pass by, or walking). The story of the van, whose nickname in Russian means “loaf of bread” made it to the WWF web site under headlines “Loaf of Bread flies across Russia.”

During the summer, more than 50 youngsters from Anadyr participated in the EcoSchool. In cooperation with Ludmila Lazutina, the Living Planet club coordinator and director of the Anadyr children’s library, EcoSchool director Vladimiar Sertun involved the children in outdoor hiking and camping activities; they learned about traditional resource use. The energetic club members did their part to protect nature as well: they conducted scout-like “inspections” of a

salmon spawning area to prevent poaching and blockaded the road when a large tractor threatened to drive over virgin tundra.

Other outreach activities include WWF-Russia's contributions of a photo exhibition about the nature of Chukotka and the Bering Sea coast at an upcoming event in Moscow, "Chukotka Days," sponsored by the Chukotka administration.

Result 2.5: Developing an action plan for Aleutian-Commander Islands

This summer, WWF's Vasily Spiridonov worked with Alexey Zimenko of the Moscow-based Biodiversity Conservation Center to conduct a socio-economic analysis and survey of local people. The final report of their work is tardy. We will report on this in the next update.

Thanks to the positive feedback from our Kamchatka colleagues on the benefits of the Living Planet Club, a local school teacher from the Commander Islands has expressed interest in making such opportunities available for her students in the remote village of Nikolskoe on Bering Island. WWF Russia will invite this teacher and six pupils to participate in an environmental "Marathon" (similar to a science fair, with elements of a spelling bee), an annual event for students in Petropavlosk, Kamchatka. The event will take place in early December, 2001. In the coming year, we will provide support to this school to participate in educational activities under the Living Planet Club.

Result 2.6: Laying the groundwork for certification/economic incentives for fisheries conservation

Little progress has been made on promoting the certification concept. However, in October, following their participation in the educators' workshop, Viktor Nikiforov and Anisia Shepeleva remained in Alaska for two days of meetings with various representatives from the fisheries, tourism and oil and gas sectors. Meeting with biologists from the Alaska Department of Fish and Game, they had a chance to learn more about the process by which Alaska salmon were certified according to principles of the Marine Stewardship Council.

Table of Progress

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
Activity 1.1	Establishment of Marine Zone for Nalychevo Nature Park	On track
Activity 1.2	Establishment of a Marine Protected Area in Karaginsky Bay	Some setbacks*, but on still trying (see text)
Activity 1.3	Establishment of a marine/coastal protected area in Chukotka Region	On track
Activity 1.4	Beringia Ethnic Cultural Park	On track – great support from local partners

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
Activity 2.1	Support for the anti-poaching brigades in the Karaginsky Region	On track
Activity 2.2	Enhancement of Fisheries Enforcement through Satellite Monitoring System	On track
Activity 2.3	Creation of the "Living Planet" Clubs	On track and expanding rapidly
Activity 2.5	WWF Eco-school in Anadyr, Russia	On track
Activity 2.6	Laying the groundwork for certification/economic incentives for fisheries conservation	Slow but going forward

- Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Success Stories

Thanks to the support of USAID, WWF has been able to establish the foundation for a program in the western Bering Sea that could contribute significantly to biodiversity conservation. Our activities and presence in Kamchatka and Chukotka are leading to new partnerships and new programs and in turn, are attracting new donors to the region. In July, WWF's Bering Sea leader Margaret Williams joined colleagues from the Portland, Oregon-based Wild Salmon Center in a weeklong trip to introduce three private US foundations to the Kamchatka region. Representatives from the Oak, Packard, and Moore Foundation made this region their destination to learn more about conservation efforts, NGO activities, political and economic conditions of this remote area of Russia. They had an opportunity to learn about WWF's Bering Sea program as well, and are likely donors for the future.

In a major political victory, Viktor Nikiforov was able to meet directly with the new Governor of Chukotka, Roman Abramovich, during his visit to the region in August. The governor invited Viktor to accompany him on a field trip to a small coastal village, during which Viktor shared information about WWF's programs and goals for the region. The Governor expressed enthusiasm for and interest in the program, and following this visit, signed an official letter of support for cooperation with WWF. (See attached letter). Since this visit, Viktor has been communicating on a regular basis with the Governor's advisor on Education, Tourism, and Culture as well as with the advisor on International Affairs.

The Russian-Alaskan educators' workshop was another highlight of the last six months, representing the many opportunities to combine intellectual and creative resources from both sides of the Bering Sea for the benefit of the next generation of science, stewards, and leaders from the region.

Challenges and Lessons Learnt

The greatest challenges in the region are the changing political circumstances, both at the federal and regional levels.

As regional leadership changed with the election of new governors in all three regions lining the western Bering Sea, we are evaluating new opportunities for conservation as well as tactics that we are using to achieve our goals in the region. In one case, it appears that we may have more positive circumstances and new allies for our work, with a new governor of Chukotka ensconced in the region. We believe he will support a higher level of US-Russian collaboration and for conservation. However, the governor's personal ties with the largest oil company in Russia also represents unseen challenges as he begins to promote economic development in his region. Reportedly, one area slated for oil exploration is very close to the Lower Anadyr River Wetlands, an area identified in WWF's biodiversity assessment as a priority for conservation. At the same time however, we have heard from Governor Abramovich's staff that he is interested in strengthening Beringia Ethnic Heritage Park, and perhaps raising the status from a regional area to a federally designated area that would afford the territory more protection.

Next steps

In the coming year we will begin to implement our action plan for 2002. Our priorities will be to strengthen the work we have accomplished so far in fisheries enforcement, education, and to persist in making gains in protected areas enhancement.

Annex 1

Annex 1.5: WWF Bering Sea newsletter

Annex 1.6: Anchorage Daily News article

Annex 1.7: Regional Citizens' Advisory Newsletter – report on WWF visit to Kenai Peninsula

Annex 1.8: Wrangel Island publication

Annex 1.9: Letter from Governor Abramovich

Annex 2.0: Articles from Russian Press: Komersant and Tikhookeansky Vestnik (or Pacific Herald)

Atlantic Forest Ecoregion

Strategic Goals & Objectives

The purpose of this five-year project is to make significant advances toward the long-term goal of conserving the full extent of the globally significant biodiversity of the Atlantic Forest Terrestrial Ecoregion Complex and the Upper Paraná River freshwater Ecoregion of Brazil, Argentina, and Paraguay.

WWF's activities for the Atlantic Forest Ecoregion Complex are directed toward four long-term goals: (1) mobilizing conservation action on an Ecoregional scale; (2) protection of key sites and wildlife populations; (3) shaping regional development to support conservation; (4) and establishing the long-term conditions and capacities needed to sustain conservation. This report focuses on actions in Paraguay for the Upper Paraná Atlantic Forest ecoregion (formerly referred to as the Interior Atlantic Forest ecoregion). The report also includes progress on some relevant actions in Brazil and Argentina, which are supported by matching funds.

Collaborators/Partners

- * WWF-Brazil
- * Fundación Vida Silvestre Argentina (FVSA)
- * USAID-Paraguay

Partners implementing activities in Paraguay through WWF sub-grants with USAID funds:

- * Fundación Moisés Bertoni
- * Alter Vida
- * Instituto de Derecho y Economía Ambiental- IDEA
- * Guyra Paraguay
- * Pro COSARA (Asociación Pro Cordillera San Rafael)
- * NATURAL, Land Trust
- * Red de ONGs Ambientalistas del Paraguay

Selected Partners in Paraguay:

- * Fiscalía de Medio Ambiente (Ministerio Publico)
- * Carrera de Ingeniería Forestal de la Universidad Nacional de Asunción
- * Secretaria de Medio Ambiente (SEAM)
- * Servicios Eco Forestales para Agricultores - SEPA
- * Sobrevivencia
- * VITAL
- * ACORDE
- * BIODIVERSIDAD
- * ITAIPU-Binacional Paraguay
- * Peace Corps Environment Program - Paraguay

- * MaB (Man and the Biosphere – Paraguay chapter)
- * Texas A&M University
- * ECO-CULTURA
- * ECOCLUBES
- * APMA (Asociación de Protección al Medio Ambiente del Amambay)
- * CICOAM

Summary

Highlights

- * The Environmental Prosecuting Attorney's Office (Fiscalia de Medio Ambiente) through a partnership with the Environmental Law Institute (IDEA) continued developing actions to reduce illegal logging in the Upper Paraná Atlantic Forest (UPAF) ecoregion. Several law enforcement actions were carried out in two core areas prioritized in the ecoregion Biodiversity Vision: the Mbaracayú buffer zone and in the San Rafael core area.
- * The Moises Bertoni Foundation and Texas A&M University held a workshop "Capacity Building Network for Sustainable Development in Paraguay" in August 2001, for the community of the Mbaracayú Reserve and the Jejui Guasu Watershed. The workshop, held in the Mbaracayú Reserve, brought Paraguayan community leaders in contact with professionals from Zimbabwe experienced in community managed conservancies on private land. As a result, community groups are beginning efforts to establish private cooperative conservation initiatives, including a management committee for the Mbaracayú Biosphere Reserve, which includes the local indigenous communities, peasant communities, and individual large landowners. Participants from the San Rafael Core area are interested in developing similar initiatives.
- * NGO partner Alter Vida has nearly completed the demarcation of the Yvyturusu Core Area. As a result of Alter Vida's proposal, on October 9th, 2001, Paraguay's president decreed a change in this protected area's status from National Park to Natural Resources Management Area, a category which maintains the land in private ownership. This change is making it possible to generate the support of local residents and to develop a management plan including more realistic conservation actions.
- * NGO partner Guyra Paraguay developed a long-term partnership with a representative of the World Parks Endowment to work for the conservation of the San Rafael core area. The partnership began with a donation of \$ 2,500 to Guyra Paraguay to initiate an international fundraising campaign for land purchase. After three years of negotiations the Garfield Foundation awarded \$ 200,000 toward the purchase of a property (called Santa Ines) in the Park to establish a base for park protection activities. This \$200,000 constitutes 40% of the total needed. Guyra and partners still need to raise \$ 300,000 funds to complete the purchase.
- * On October 9, 2001, a Presidential Decree was signed establishing the first two private reserves in Paraguay:

Arroyo Blanco. – Part of the Cerro Cora Core Area in the Priority area of the same name. Approximately 5,000 ha of forest remain on the Arroyo Blanco property, narrowly

connected to the forested portion of the Cerro Cora National Park. The forests of this area form the north-westernmost extent of the Atlantic Forest in Paraguay;

Estancia La Golondrina (also called Morombi). - This 50,000-hectare property in the Mbaracayú Priority Area contains approximately 20,000 ha of forest, almost directly to the south of Mbaracayú Forest Nature Reserve, and nearly connected to the Mbaracayú Reserve by a series of forest fragments.

Results by Objective and Activity

Objective I: Mobilize Conservation Action on an Ecoregional Scale

Result A: WWF Ecoregional Team capacity ensured to coordinate Atlantic Forest ecoregional conservation

Progress Indicator 1: Atlantic Forest Ecoregion program officer for Paraguay hired (with sufficient time, infrastructure and team support available), participating in the development and monitoring of the Atlantic Forest Ecoregion-Based Conservation Biological Vision and Plan and ensuring effective implementation of the plan in Paraguay.

With the legal assistance of IDEA, WWF is working toward the establishment of official status in Paraguay. We expect the documentation to be completed by the end of the year. The legal status will make it possible to directly hire the WWF Paraguay coordinator (currently a consultant) and office staff (currently hired through a consulting agreement with IDEA). The Coordinator, Lucy Aquino, has developed and provided supervision for a number of subgrant agreements with partner Paraguayan NGOs that are now achieving results. She has coordinated the collection of additional georeferenced socio-economic data for Paraguay to combine with data from Brazil and Argentina for refinement of a technical document describing the biological and socio-economic analyses leading to the definition of the Biodiversity Vision for the Upper Paraná Atlantic forest ecoregion. She has also mobilized many new partner government and non-governmental organizations in Paraguay to conduct strategic actions toward implementation of the Biodiversity Vision.

Result B: A network of institutions with a shared Vision and conservation strategy for the ecoregion developed

Progress Indicator 1: Tri-national Forest Corridor Initiative strengthened to coordinate and mobilize action of partners/stakeholders to implement the Conservation Strategy to achieve the Biological Vision for the Paraná/Paraíba Interior Atlantic Forest and Araucaria ecoregions: Paraguayan National Commission strengthened.

Progress status is mixed. The National Commission has not met this semester. However, the institutions in the Paraguayan National Commission are already sharing the biodiversity vision and coordinating actions toward its implementation.

Progress Indicator 2: Key organizations active in the Atlantic Forest Ecoregion Complex sharing the Biological Vision for the ecoregion and participating in the development and implementation of an Ecoregion Conservation Plan.

WWF and partner organizations are now working together designing and implementing strategic actions in three (Mbaracayú, San Rafael and Yvyturusu) of the 18 core areas prioritized in the Biodiversity Vision:

Progress Indicator 3: Improved enforcement of relevant environmental laws and regulations to protect the Interior Atlantic Forest in Paraguay, Argentina, and Brazil.

WWF and partners IDEA and the Environmental Prosecuting Attorney are still focusing on improving law enforcement in Paraguay, before beginning efforts to coordinate enforcement efforts across the borders with Argentina and Brazil. However, some initiatives have begun between Paraguay and Brazil (see Amambay and Mbaracayú Forum in Progress Indicator 4).

Progress Indicator 4: Develop a tri-national strategy to ensure transboundary control of timber, non-timber forest products, and wildlife trade.

With WWF support, the Ministry of Foreign Relations and the Moises Bertoni Foundation organized a meeting “*Amambay and Mbaracayú Forum*” September 14 - 16 that gathered authorities of the local governments of the Paraguayan Departments of Amambay, Canindeyu and Alto Paraná, and from Brazil to develop strategies for the protection and conservation of the dry land (the area where the two countries are not separated by water) boundary between Brazil and Paraguay. The meeting's objectives were: 1. develop strategies, ideas, initiatives and programs in the Departments of Amambay and Canindeyu to facilitate the coordination of conservation actions; 2. strengthen the civil society to develop conservation activities with the local government; 3. coordinate transboundary actions to strengthen the conservation program of the Cordilleras Amambay and Mbaracayú; and 4. promote mechanisms and create a basis to guide the conservation actions. This meeting was the beginning of a long-term initiative to coordinate actions among the local and central governments and civil society regarding sustainable use of the area's natural resources. Several Paraguayan government institutions participated in this meeting: Ministry of Defense, Ministry of the Interior, Secretary of Tourism, ITAIPU-Binacional, Government of Amambay, Government of Canindeyu, the Municipality of Saltos del Guaira. Lucy Aquino presented the Biodiversity Vision for the Upper Paraná Atlantic Forest ecoregion which helped these organizations see their efforts in the context of a larger scale effort to maintain the region's biodiversity and the ecological processes which are necessary for sustainable development. (See Annex 6)

At the invitation of the U.S. State Department, Lucy Aquino attended the First South American Conference on Illegal Wildlife Trade, held July 17-20, in Brasilia, Brazil. The conference was an important means to establish contacts and to learn what kind of trade is occurring in South America. Several international authorities offered support for Paraguay's law enforcement efforts to reduce illegal trade in wildlife and timber. Lucy will maintain contacts with international authorities to obtain support, advice on enforcement, and to facilitate any training or workshops for the stakeholders in the Upper Paraná Atlantic Forest.

Result C: Biological Vision for the Atlantic Forest refined and monitored

Progress Indicator 1: Criteria developed and disseminated for prioritizing research to fill information gaps to develop Vision: populations of umbrella species, special elements, flagship species, indicator species, ecosystem dynamics, restoration, etc.

Lucy Aquino met on a regular basis with staff of different organizations to promote their developing research on wildlife species of special concern (umbrella, flagship, or indicator species). These institutions included Kansas State University, Texas Tech University, Texas A&M University, Guyra Paraguay, Moises Bertoni Foundation and various independent scientists. An initial result of these discussions, Kansas State University and Texas Tech University have jointly submitted a proposal to the U.S. National Science Foundation, entitled "A Survey of the Vertebrate Community in an Interior Atlantic Forest Island in Eastern Paraguay", to evaluate populations and ecosystem dynamics of vertebrate species in the Jejui Guasu Watershed.

Progress Indicator 2: Priority sites for conservation action in Parana/Paraiba Interior Atlantic Forest (IAF) of Paraguay identified by WWF and partners, building on the biological assessment and Biological Vision developed for the IAF and collecting additional basic information needed to develop a detailed conservation plan for the Paraguayan portion of the ecoregion.

Guyra Paraguay is finishing the last part of the project called "Identification of priority sites for conservation action in the Interior Atlantic Forest of Paraguay" supported by a WWF sub-grant. Their latest report (See Annex 9) presented the results from the sites they studied. Lucy Aquino presented a proposal to the WWF-International Ecoregional Partnership Grants Program, for Guyra Paraguay to implement the second phase of this project, incorporating assessments of more priority sites. WWF is discussing with other institutions the possibility of using these sites to also monitor the quality of the forest and of other animal groups.

Progress Indicator 3: Process developed for monitoring the Vision

The research described above to assess priority sites can serve as a model for monitoring progress toward the biodiversity vision. Other wildlife groups will be incorporated in future monitoring, to refine the vision. As more information becomes available through this research and ongoing monitoring, the vision will be further refined.

Progress Indicator 4: In the Paraguayan portion of the IAF, ground truthing diagnosis completed of the status of the Biological Vision in the area and communication with municipalities, local governments and NGOs to mobilize their participation in the implementation of the actions needed.

Lucy Aquino is coordinating efforts with several NGOs in Asunción and in the field to develop a strategy for regular communication with focal towns (ciudades cabeceras) of municipalities and with local governments, to disseminate the biodiversity vision as a tool for directing implementation of conservation actions. These organizations are: Alter Vida, Moises Bertoni Foundation, NATURAL Land Trust, IDEA, Pro Cosara, VITAL, Biodiversidad.

Progress Indicator 5: Communications strategy for the Biological Vision developed.

As part of the Moises Bertoni Foundation grant with WWF to strengthen the Paraguay National Commission of the Tri-national Initiative, the National Commission will help to develop and implement a communication strategy in Paraguay for the biodiversity vision. These efforts are anticipated to begin immediately.

Progress Indicator 6: For the Paraná/Paraíba Interior Forest ecoregion:

- a) Easy-to-use system developed to access the biological and socio-economic information and integrated maps produced for the Vision;*
- b) Support provided for finer scale landscape design of the priority areas in the tri-national area.*
- c) Support provided for the development of conservation strategies in the Green Corridor municipalities.*

The Fundación Vida Silvestre Argentina (FVSA) is finalizing the integration of socio-economic information into the Geographic Information System (GIS) to produce maps of land use, population growth, protected areas, municipal boundaries, infrastructure such as dams and roads, overlaid with remaining forest and watersheds. These maps are all part of the analysis used to develop the Biodiversity Vision. The GIS will be disseminated to all partners involved in the vision process, and the maps will be widely disseminated as a part of the Biodiversity Vision document.

Progress Indicator 7: Biological Vision for Atlantic Forest ecoregion complex (15 ecoregions) refined.

WWF-Brazil has decided to concentrate its efforts to develop Biodiversity Visions and Conservation Action Plans for the two ecoregions that have the largest blocks of remaining forest - the Upper Paraná Atlantic Forest (tri-national) and the Serra do Mar Atlantic Forest (Brazil). With the Upper Paraná vision and conservation action plan nearly complete, WWF-Brazil is now beginning the process to develop the Serra do Mar vision.

Objective II: Protect Key Sites and Wildlife Population***Result A: Policy framework established for improved protection and management of existing protected areas******Progress Indicator 1: An analysis of land tenure for improved protection and management of existing protected areas.***

WWF has not been able to raise funds for this activity; however, the Paraguay USAID Mission has allocated some funds directly to Guyra Paraguay to develop land tenure analysis in the Cerro Cora and San Rafael biodiversity corridors. This analysis will help to guide implementation of the actions indicated by the UPAF Biodiversity Vision.

Progress Indicator 2: For the IAF in Paraguay, diagnosis of protection status of the corridors, core conservation areas, and protected areas to strengthen involvement in the action plan of the local stakeholders and other partners working in the areas.

In addition to the work with the Environmental Prosecuting Attorney (See I.B. 3 & 4) Lucy Aquino is participating with several NGOs - Guyra Paraguay, Moises Bertoni Foundation, IDEA, NATURAL Land Trust, Biodiversidad, and FEPAMA (The Paraguayan Federation of Wood Producers) - in a campaign to promote enforcement of laws to protect the forest in Paraguay).

Progress Indicator 3, to 10: Increased capacity of Paraguay NGOs' and GOs' conservation and environmental education activities.

WWF supported the organization of several meetings and training to increase the capacity of non-governmental and governmental organizations:

- *Community-Based Conservation workshop held 6-12 August 2001, in the Mbaracayú Reserve.* (See General Objective II, Result B5, Progress Indicator 1) In addition to the local Mbaracayú stakeholders, organizations working in other core areas of Paraguay also attended. As a result, these other participants (Natural, IDEA, Guyra Paraguay, Fundación Moises Bertoni, Pro Cosara, and the Association of Landowners of San Rafael Park, Itaipú Binacional, and the Peace Corps) committed to organize similar workshops in their regions to assess their capabilities to work in a communal way.
- *Mbaracayú Forum:* Described in General Objective I - Result B – Progress Indicator 4.
- WWF supported the “*First Exposition Ecology, Environment and Sustainable Development*” (“*Exposicion Ecologia Ambiente y Desarrollo Sostenible*”) organized in Asuncion by the National Union of Eco-clubs (ECOCLUB U.N.E.) and the Pan American Health Organization - World Health Organization. At the exposition, Lucy Aquino gave a talk on the Biodiversity Vision for the Upper Paraná Atlantic Forest ecoregion and also organized poster presentations on the Biodiversity Vision and Certification of Forests that were displayed in a booth during the week of the exposition. The booth was heavily visited by students, NGOs, GOs, and the community in general. (See Annex 1)
- WWF sponsored the “*First Regional Congress of Regional Producers Cooperatives for Sustainable Development in the Interior Atlantic Forest*” (“*Congreso Regional de Cooperativas de Produccion para el Desarrollo Sustentable en el Bosque Atlantico Interior*”) held in Santa Rita – Department of Alto Parana October 4-5, 2001. The meeting gathered close to 100 participants from cooperatives of Alto Paraná and Itapua. Cooperatives from other parts of Paraguay were also invited. The objective of the meeting was for producers to discuss how to develop their production in an environmentally friendly manner and how to recuperate degraded areas in this very threatened ecoregion. The meeting focused on new agricultural techniques, watershed management policies, and other alternative products such as carbon sinks. The participants identified several next steps to implement sustainable use in the area. (See Annex 4)
- WWF sponsored some activities to celebrate the 10th anniversary of the creation of the Mbaracayú Reserve, the best protected Core Area in the UPAF ecoregion. These

events created an opportunity for the public to learn about the history of this Core Area and its global importance.

- WWF sponsored one student member of partner organization Guyra Paraguay to participate in the "Management Training Course for Environmental and Development NGO's" ("Curso de Capacitacion en gerenciamiento para Organizaciones Ambientalistas y de Desarrollo") organized by CICOAM. CICOAM's objective is to build the capacity of environmental leaders.
- The WWF program Education for Nature (EFN) supported Environmental Attorney Ricardo Merlo, of the Paraguayan Prosecuting Environmental Attorney's Office, to participate in the First Module of the "Second Regional Master's Degree program in Environmental Policy, Management and Legislation" at the Popular University of Nicaragua (UPONIC).

Lucy Aquino interviewed and recommended three candidates for an EFN scholarship program. Two of these candidates were awarded scholarships and will begin their studies in February in a newly created Masters Program in Biology at the National University of Paraguay.

Progress Indicator 8: A scorecard rating system and baseline ratings disseminated for all existing protected areas in the Atlantic Forest ecoregion complex.

WWF/FVSA completed and disseminated baseline ratings during the last period for protected areas in Argentina and some in Paraguay. WWF-Brazil completed ratings for federal protected areas in Brazil last year. WWF-Brazil has plans to have ratings for state protected areas in the Upper Paraná and Serra do Mar ecoregions complete later this year. These ratings will be disseminated to leverage government and other support to improve implementation and management of these protected areas. The information will also serve as a baseline for continued monitoring.

Progress Indicator 9: Analysis of conservation and sustainable development projects in the Atlantic Forest complex completed and disseminated

WWF-Brazil with the Brazilian Atlantic Forest Network of Environmental NGOs has completed the first phase of a directory and analysis "Who does What for the Atlantic Forest 1990-2000". The directory, to become available through the internet in February 2002, has 844 conservation, restoration and sustainable natural resource use projects registered for the Brazilian portion of the Atlantic Forest showing a total of US\$134,000,000 (R\$320,800,000) invested. Efforts are underway to include projects in the Atlantic Forest in Paraguay and Argentina as well. Analysis of the Brazilian projects registered shows several important trends that are helpful in planning the conservation action plans for the 15 Atlantic Forest ecoregions in Brazil. (See Annex 7)

- Of the 844 projects developed over the ten years, the year 2000 showed a significantly higher number of projects (140) than all other years.
- 60.3% (509 projects) of the projects were classified as conservation projects; 18.2% (154 projects) were classified as restoration projects; and 21.4% (181 projects) were classified as sustainable use.

- The number of conservation projects has increased more rapidly than either restoration or sustainable use projects.
- Of the total 844 projects, 385 are municipal in scope, 186 are local, 139 are state, 52 focus on watersheds, 35 are regional, 35 are national, and 19 did not indicate the scope.
- 52% of all resources invested in these projects are from the Brazilian national government, 25% from international governments, 16% from Brazilian national private funds, and 7% from private international sources. The following institutions fund the largest number of projects: Brazilian National Environment Fund -FNMA (192 projects), Unibanco Ecologia - a foundation of Unibanco bank (171 projects), the O Boticário Foundation (95 projects), the PPG7 - Pilot Program for the Brazilian Rainforest /Demonstration Projects Program (36 projects), Fehidro - São Paulo state water resources fund (22 projects), PROBIO - government administered GEF funds (18 projects), FUNBIO - a non-governmental trust fund - 18 projects, FAPESP - a São Paulo state research fund (14 projects, CNPq - the National Research Council (12 projects), WWF (15 projects), Ford Foundation (10 projects), Vale do Rio Doce Company (10 projects), Petrobras (6 projects), KfW (6 projects).

Result B: Expanded implementation of integrated conservation and development projects to protect and connect key sites to implement the landscape designs of the Biological Vision for the Upper Paraná Atlantic Forest

In the Argentina portion of the Upper Paraná Atlantic Forest ecoregion, the Fundación Vida Silvestre and WWF have developed a plan and a fundraising proposal to establish a private environmental fund to finance implementation of the Green Corridor Law. The Misiones Government fund for implementing the Law, planned to be financed by value-added tax revenues, is non-functional due to Argentina's worsening economic crisis.

The Upper Paraná Atlantic Forest vision identifies 10 forest fragments as priority core areas for effective protection in the Brazil portion of the Tri-national Corridor. Six of these areas totaling 393,164ha are legally declared protected areas but all need improved management. Two other forest fragments totaling 82,201ha have not had legal protected status - one owned by Araupel S.A., a forestry company, and the other indigenous land. As a result of WWF-Brazil's negotiations, Araupel S.A. has begun a process to establish 17,543ha of their property as a private reserve. This will serve as a stepping stone to restoring the Iguazu River corridor connecting with Iguazu National Park. The Brazilian government took action in July to permanently close a road dividing the Iguazu National Park - the largest Upper Paraná ecoregion forest fragment remaining in Brazil - in two. With emergency support from WWF-US, WWF-Brazil was able to provide help for construction of a guard station to assure local pressure does not open the road again.

Result B4: Connect core conservation areas in Priority Area Cerro Cora (previously called Northern Conservation Block)

Progress Indicator 2: Forest certification promoted

Natural Land Trust is promoting the establishment of national criteria for Forest Certification. (See III, A1, indicator 1)

Result B5: Connect core conservation areas in the Priority area Mbaracayú (previously called Central Conservation Block)

Progress Indicator 1: Action Plan developed by local partners to reduce breakdown of ecological process and biodiversity loss in the Mbaracayu Reserve and Jejui Guasu Watershed, including: a. Building the capacity of local people and biology students to monitor biodiversity; b. Development of community-based institutions to facilitate sustainable resource use in the Mbaracayu Reserve and Jejui watershed; c. Development of multi-property forest conservancies in the Jejui watershed and the surrounding area (Forest Certification, Conservation Easements); d. Development of an ecotourism plan for Mbaracayu Reserve and Jejui Watershed.

WWF supported the Fundación Moises Bertoni and Texas A&M University to develop a workshop for the community of the Mbaracayú Reserve and the Jejui Guasu Watershed. This workshop, "Capacity Building Network for Sustainable Development in Paraguay", took place in the Mbaracayú Reserve on August 6-12, 2001, putting local landowners, local communities (campesinos), and two indigenous communities (Aché and Guarani) in contact with professionals experienced in community managed conservancies on private lands in Zimbabwe. The coordination teams paired each of the Zimbabwe professionals with a Paraguayan professional. Co-organizers were Dr. Urs Kreuter (Texas A&M University) and Dr. Alberto Yanosky (Fundacion Moises Bertoni).

Co-leaders included:

1. Rowan Martin (Zimbabwe) and Miguel Morales (USAID – Paraguay) and Sheila Abeb (IDEA) for legal framework and development of community based resource management.
2. Mike Murphree (Zimbabwe) and Lucy Aquino (WWF) AND Frank Fragano (Guyra): for institutional structure of successful programs.
3. Clive Stockhil (Zimbabwe) and Victor Vera (Natural Land Trust): for institutional framework for successful private land conservancies.

Each of these leader teams presented their experience and some very important lessons from the field. The workshop resulted in the Mbaracayú area stakeholders committing themselves to develop an agreement for long-term cooperation for sustainable use of natural resources in the Rio Jejui Guasu Watershed. Additional information is included in General Objective II, Result A – Progress Indicator 3. A detailed workshop report is available. (See Annex 3)

Progress Indicator 2: The Aché Indians included in the management and administration of the Mbaracayu Reserve and its buffer zone.

To develop this Indicator, it will be necessary for the Fundación Mbaracayú/Fundación Moises Bertoni to acquire the land south of the Mbaracayú Reserve. This activity has been delayed because the efforts to raise funds for the land purchase have not been successful. Once the land is acquired, training of the Aché to manage this land will begin.

Result B6: Connect core conservation areas in the Priority Area Rio Paraná (previously called Eastern Conservation block).

Progress Indicator 1: Increased capacity in Itaipu environmental education and law enforcement for the Itaipu Reserves (Carapa, Itabo, Limoy, Tati Yupi).

With the support of WWF, Itaipú Binacional - Paraguay and IDEA are organizing a training workshop in legislation and environmental awareness for judges of the Atlantic Forest region of Paraguay. This workshop will be conducted November 14-15, 2001, at the Itaipú Binacional - Paraguay facilities in Ciudad del Este.

Result B7: Connect core conservation areas in the Priority area San Rafael (previously called Southern conservation Block).

Progress Indicator 1: Conservation Easement program established with private landowners in the Parque Nacional San Rafael.

See Indicator 2 below.

Progress Indicator 2: Law enforcement programs developed cooperatively with the government and private landowners in the San Rafael Priority area.

Pro Cosara, an NGO of landowners in the San Rafael National Park, continues developing a project in the San Rafael National Park to achieve the following general objectives: a) Implementation of a Private Law Enforcement System; b) Follow up for governmental actions in the San Rafael Area; and c) Strengthened relationship between Pro Cosara and the central government.

Pro Cosara is concluding work supported by WWF, but WWF support has helped Pro Cosara leverage funding from AVINA to continue developing these objectives. A detailed report of the ProCosara/WWF grant is available in Spanish.

On 17 December 1999, three Paraguayan conservation NGOs signed a cooperative agreement to work together to promote the conservation of the natural habitats of the Cordillera de San Rafael and the surrounding watershed of the upper Tebicuary River. These three NGOs are Guyra Paraguay - Conservación de Aves; the Instituto de Derecho y Economía Ambiental - IDEA (the Paraguayan Environmental Law and Economics Institute); and Procosara (Asociación Pro-Cordillera San Rafael). A fourth institution, NATURAL Land Trust, is now formally being added to this alliance.

All four organizations are working cooperatively to implement San Rafael National Park (currently a park in name only) as a protected area. A notable success was the establishment with WWF support to NATURAL Land Trust of the first two conservation easements in South America in San Rafael in 2000. NATURAL Land Trust has presented a proposal to WWF for support to promote the establishment of eight more easements in the area. However, the multitude of threats that face the area, and the economic situations of many landowners (San Rafael is entirely privately owned) have created an urgent need for the purchase of one or more properties to establish a protected area owned by a

conservation organization. The area could serve as a platform from which to base conservation action for the entire area.

Santa Ines an opportunity for land purchase in San Rafael:

Santa Ines, a 4,000-hectare (9,880-acre) property became the focus of the alliance's land purchase efforts when it was offered for sale by the current owner, the *Banco Nacional de Fomento* (BNF). Guyra Paraguay met with the president of the BNF, Juan José Galeano Britéz, and succeeded in negotiating a price of US \$125/ha, totaling US \$500,000 for the entire property. This is a reduction of over US \$300,000 from the original sale price (of US \$212/ha). An initial down payment of US \$50,000 is required, by which Guyra Paraguay will take possession of the property, with one year to complete the outstanding payment of US \$450,000. The alliance is investigating at least three other properties to be included in the land purchase strategy. A property south of and a little smaller than Santa Inés, owned by Sudameris Bank, is proposed for inclusion. The Alliance has met with the Sudameris Bank lawyers to begin the discussions.

Guyra Paraguay began a partnership several years ago with a representative of the World Parks Endowment to work for the conservation of the San Rafael area. The partnership began with a donation of \$ 2,500 to Guyra Paraguay to initiate an international fundraising campaign for land purchase. After three years of negotiations the Garfield Foundation recently awarded Guyra \$ 200,000 toward the purchase of the Santa Ines property, 40% of the total needed. Guyra and partners still need to raise \$300,000 funds to complete the purchase.

Progress Indicator 3: Delimitation of the Parque Nacional Yvyturusu boundaries and contributing to the development and implementation of a management plan

The Biodiversity Vision for the Upper Paraná Atlantic Forests ecoregion identifies the Yvyturusu area in Paraguay as a core area for protection of biodiversity. Yvyturusu has been listed on paper as a National Park since May 17, 1990; however, not even the park boundaries are clear to any local official. Several communities also occupy this "paper park". From the time Alter Vida began this project to demarcate the Yvyturusu National Park with participation of the buffer zone community and local officials, it was clear that the category of "park" needed to be changed before any management plan could be developed in the area. Alter Vida proposed the category of "Resource Management Area (Reserva de Recursos Manejados) Yvyturusu", and the change was made official by Presidential Decree number 14.945 of October 9, 2001. Under this new category which maintains the land as private property the local people are more willing to help develop a realistic management plan for the area. Because of the delay in changing the category from National Park to Resource Management Area, the demarcation was also delayed. With the future clear for the Yvyturusu core area, work to develop the Management Plan can begin. A detailed report of this project including a copy of the presidential decree is available in Spanish.

In the second phase of the project, WWF will continue support to Alter Vida to conduct two additional initiatives for the protection of Yvyturusu: 1) the development of a management plan for Yvyturusu with the participation of the local communities and 2) Conflict Management Analysis to lead toward implementation of the management plan. The objectives of the first initiative are: 1. Develop the Management Plan for Yvyturusu with active participation of the local people; 2. Develop sustainable economic alternatives for the local people to reduce negative impact on the natural resources of the Yvyturusu core area;

and 3. Strengthen the capacity of the area's civil society to implement their sustainable use programs. The objectives of the second initiative, "Environmental Security" (Conflict Management), include: 1. Identify the possible conflicts that may be generated by the conservation program in Yvyturusu; 2. Mobilize the participation of the local government; and 3. Improve the environmental management capacity of the cities and small towns of the region. Both initiatives will take place in the Yvyturusu Managed Resource Area. The deliverables will consist of the first stage of the management plan for the area developed with participation of the local communities and a conflict management analysis. A detailed proposal for this project is available in Spanish.

Result C: Priorities established for creation of new protected areas.

Progress Indicator 1: Establishment of the category IAF Corridor in the Paraguayan Protected Area System, using the criteria of watershed

Before undertaking any concrete activity, WWF will coordinate with Guyra to determine to what extent they will use the support received directly from the USAID mission in Paraguay to establish the category of UPAF Corridor.

Progress Indicator 2: Strategy developed to increase the protection of core conservation areas of IAF in Paraguay by acquisition of land to be incorporated to the system of protected areas and private conservation areas.

Progress toward this result is occurring in two lines of action:

1. The Nature Conservancy and WWF are proposing to develop a coalition with Paraguayan NGOs to develop a strategy to raise funds for the Upper Paraná Atlantic Forest in Paraguay. WWF and TNC are currently negotiating an MOU. The focus of the collaboration would be the protection of the core areas identified in Paraguay in the biodiversity vision for the UPAF. Both institutions respect the expertise that each contributes, and both recognize the same overall goals. The Nature Conservancy would like to work with WWF because: 1. The Biodiversity Vision which is being coordinated by WWF potentially meets TNC's Ecoregional Planning objectives; 2. Collaboration with WWF is cost effective given TNC Paraguay's limited financial resources; 3. TNC believes it can leverage more funding and public awareness for the UPAF by working together with WWF and with Paraguayan environmental organizations. WWF would like to work with TNC because: 1. TNC can help leverage the additional funding needed to implement the Biodiversity Vision; 2. TNC has a long-standing conservation commitment to the UPAF in Paraguay; 3. TNC has expertise in smaller scale conservation planning, especially with private land conservation. This joint TNC/WWF effort can encourage collaboration and dialogue among Paraguayan organizations and serve as a prototype for collaboration in other ecoregions where TNC and WWF work. From the Paraguayan NGO perspective, WWF/TNC collaboration will help to leverage more funds for conservation, allowing them to implement their vision and to build their own institutional capacities as well as raising their profile in the international conservation scenario.
2. As a result of partner Moises Bertoni Foundation's private reserve project conducted over many years with support from USAID, private reserves have become an important tool to protect UPAF core areas and biological corridors. On October 9, 2001, a Presidential Decree was signed establishing the first two private reserves in Paraguay:

1. - Arroyo Blanco. – Part of the Cerro Cora Area in the Priority area of the same name. Approximately 5,000 ha of forest remain on the Arroyo Blanco property, narrowly connected to the forested portion of the Cerro Cora National Park. The forests of this area form the north-westernmost extent of the Atlantic Forest in Paraguay;
2. - Estancia La Golondrina (also call Morombi). - This 50,000-hectare property in the Mbaracayú Priority Area contains approximately 20,000 ha of forest, almost directly to the south of Mbaracayú Forest Nature Reserve, and nearly connected to the Mbaracayú Reserve by a series of forest fragments.

A copy of the presidential decree is available in Spanish.

Objective III: Shape regional development to support conservation.

Result A: Limit unsustainable use of the forest

Result A1: No unsustainable logging practices – commercial Atlantic Forest products operations certified.

Progress Indicator 1: Forest Stewardship Council (FSC) certification of timber areas in the core areas and corridors established in the Alto Paraná Atlantic Forest Biodiversity Vision.

NATURAL Land Trust has presented a proposal to WWF for support for the development of forest certification as a conservation action in the UPAF. Natural also has proposed to organize an assessment of the feasibility of community forest management in the portion of the UPAF in Paraguay. WWF will provide support for Natural to initiate these actions in the next reporting period.

Result C: Establish a land use policy framework that supports conservation

Progress Indicator 1: Policy developed with IBR (Instituto de Bien Estar Rural) and INDI (Instituto del Indigena) to reduce the impact of the agrarian reform on the UPAF

More information is necessary to develop this activity; thus this activity is delayed until the information becomes available.

Progress Indicator 2: A proposal for a new land reform compatible with conservation and sustainable development developed with IDEA (Instituto de Derecho Ambiental)

Funding is still not available; thus this activity was not initiated.

Progress Indicator 3: A strategy, enforcement mechanisms, and alternatives for the landless developed to prevent invasion of forested areas by landless peoples.

WWF's support to building the capacity of the Paraguay's Environmental Prosecuting Attorney (see Progress Indicator 5 below) will also contribute to achieving this result. Lucy Aquino met on a regular basis with the Attorney General and local NGOs working in core

areas of the UPAF to coordinate actions to prevent invasions of forested areas by landless people. With direct funding from USAID IDEA is developing additional activities to clarify environmental laws; these activities will also contribute to the joint strategy to achieve this result.

The WWF/Alter Vida project in the Yvyturusu Core Area (see II.B7, Progress Indicator 3) will help create a connection between conservation and development. The proposal to change the category of the park to a Resource Management Area is already having a positive impact on the social situation. Alter Vida is helping landless people to legalize their land tenure. The mapping of conflict areas in Yvyturusu is helping to work with the local population to develop a strategy to prevent landless people's invasion of forested areas.

Progress Indicator 4: Environmental education program developed with the community in rural areas and buffer zones of protected areas.

Funding was not available; thus this activity was not initiated. However, we are proposing to allocate fiscal year 2002 USAID funds to develop environmental education during the next reporting period.

Progress Indicator 5: Capacity built for the Environmental Prosecuting Attorney (Fiscalia de Medio Ambiente) Office to implement law enforcement in the Upper Paraná Atlantic Forest of Paraguay

With WWF support, IDEA and the Environmental Attorney (Fiscalia) have developed a strategy to counteract unsustainable use of the UPAF. Their plan is to focus law enforcement and community involvement in the five priority areas identified in the UPAF Biodiversity Vision, focusing on the "Core Areas". The development of this strategy is a step toward strengthening their capacity to enforce pertinent law.

With WWF support, IDEA and other NGOs working in the Upper Paraná Atlantic Forest are also helping the Environmental Attorney more directly to increase its technical and law enforcement capacity through support for specific law enforcement activities in the core areas experiencing the most logging pressure. With both information and logistic help, the Fiscalia made several trips to the target areas to inspect and monitor logging on the extraction routes and in the sawmills. The Fiscalia confiscated vehicles transporting illegal timber and prosecuted those responsible, as mandated by law. (See Annex 2)

Considering the tremendous threat deforestation without legal management plans poses to the Atlantic Forest in Paraguay and the results the Fiscalia has obtained so far, WWF decided to devote additional resources to this initiative. With these funds IDEA has hired a forester to assist the Fiscalia with technical forestry issues as they prepare and prosecute their cases against illegal deforestation. Some of the funds will be used to develop local education campaigns to obtain public support for this law enforcement.

Result C3: Feasible economic incentives for protection of Atlantic Forest identified

NATURAL Land Trust and CICOAM have developed proposals to develop two types of economic incentives: certification of forests and ecotourism. WWF will provide technical and

financial support each organization to develop a feasibility study. Work will begin during the next reporting period.

Objective IV: Establish long-term conditions and capacities needed to sustain conservation

Result A: Public awareness of the value of the Atlantic Forest increased.

Result A1: Value of ecological services of protected forest disseminated to the general public and decision makers

Progress Indicator 1: Status of Forest cover disseminated

The Paraguay National Commission of the Tri-national Initiative for the Conservation of and Sustainable Use of the Interior Atlantic Forest has received WWF funding to disseminate the Forest cover map in Paraguay, but the activity has been delayed. Lucy Aquino will be meeting with the National Commission coordinator Ana Maria Macedo to promote the implementation of this activity as soon as possible.

Progress Indicator 2: Atlantic Forest campaign in Spanish, Portuguese, Guarani, and English initiated to promote the beauty and “existence value of the Atlantic Forest.

The campaign will be developed as part of a communication strategy for the Upper Paraná Atlantic Forest ecoregion biodiversity vision. Planning of the strategy will begin in the next reporting period.

Progress Indicator 3: Educational and informational materials on the Interior Atlantic Forest developed

Two Peace Corps volunteers and their counterparts continue developing a manual for schools in Paraguay on the biodiversity and conservation of the Upper Paraná Atlantic Forest. WWF is providing data from the ecoregion biodiversity vision to be included in the manual. WWF has worked with Peace Corps to develop a strategy for disseminating the manual to schools in the Upper Paraná Atlantic Forest through teacher training conducted by Peace Corps volunteers. Peace Corps is the logical organization to disseminate this manual because they are the only organization in Paraguay working in rural communities throughout the ecoregion in Paraguay. During the next reporting period WWF will be providing a grant to Peace Corps to help support the publication of the manual and its dissemination through teacher workshops.

Progress Indicator 4: Red de ONGs Ambientalistas (Paraguay Network of Environmental NGOs) strengthened.

The Red de ONGs presented to WWF a proposal for funding support for strengthening their capacity. Since the Red does not have legal institutional status, WWF awarded a grant to Alter Vida for strengthening the Red. The Red has hired a consultant who has helped develop a strategic plan that is now being approved by each member organization of the Red. This approval process is taking more time than previously envisioned because of the

multiple time commitments of the leaders of the member organizations. The Red expects the approval to be completed by the end of December 2001. Through this process the Red is learning how to better organize itself to function as a representative of the Paraguayan NGOs, especially those of the Atlantic Forest region.

Result B: Funding mechanisms developed to provide sustained funding for Atlantic Forest Conservation.

Progress Indicator 1: Proposals to the GEF developed

A project development grant proposal for institutional strengthening of the Tri-National Initiative was completed and submitted to UNEP. The proposal has received official endorsement from the government of Paraguay and is awaiting the endorsement of the Argentine and Brazilian governments.

Progress Indicator 2: TNC – WWF coalition

For the first time in South America, The Nature Conservancy and the World Wildlife Fund are combining forces to form a partnership to fundraise for protection of private and public land in the Paraguayan Atlantic Forest. TNC is well known, both nationally and internationally, for its expertise in fundraising for land purchase, having been instrumental in the purchase of the 64,000 ha Mbaracayú Forest Nature Reserve. It has considerable expertise in other types of protection such as easements and land trusts. WWF has for the past decade catalyzed cooperative tri-national conservation efforts within the Upper Paraná Atlantic Forest, and has completed with more than 40 participating organizations a biodiversity vision for the conservation of the forest's biodiversity. WWF has recently provided important support to the Fundación Moises Bertoni's international campaign to secure lands south of Mbaracayú. Both WWF and TNC have recognized the Core Areas of the vision as the priority sites for their fundraising efforts. They are in the process of signing a formal memorandum of understanding and are also working with partner Paraguayan NGOs to develop a strategy for long-term financial support.

Table of Progress

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status</u>
I.A.	WWF Ecoregional Team capacity ensured to coordinate Atlantic Forest ecoregional conservation	On-Track
I.B.	A network of institutions with a shared vision and conservation strategy for the ecoregion developed	Mixed performance (Delayed and on track)
I.C.	Biodiversity vision for the Atlantic Forest refined and monitored	On-Track
II.A.	Policy framework established for improved protection and management of existing protected areas	Mixed performance (On-Track and Completed)

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status</u>
II.B4	Connect core conservation areas in Cerro Cora Priority Area.	On-Track
II.B5	Connect core conservation areas in Mbaracayú Priority Area	Mixed performance (Delayed and Completed)
II.B6	Connect core conservation areas in Rio Paraná Priority Area.	On Track
II.B7	Connect core conservation areas in San Rafael Priority Area	Mixed performance (On-Track, Completed and Delayed)
II. C	Priorities established for creation of new protected areas	On Track
III.A.	Limit unsustainable use of the forest	On Track
III. C.	Establish a land use policy framework that supports conservation	Mixed performance (On-Track Completed and Delayed)
IV.A.	Public awareness of the value of the Atlantic Forest increased	Mixed performance (On-Track – Delayed)
IV. B.	Funding mechanisms developed to provide sustained funding for Atlantic Forest Conservation	On-Track

- Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Next steps

During this period actions of the WWF Atlantic Forest Team focused in all three countries on completing the 50-year biodiversity vision for the Upper Paraná Atlantic Forest ecoregion and on filling in information gaps in the ecoregional database developed by a GIS specialist in the Fundacion Vida Silvestre. The team also incorporated data for several additional analyses of population and land use to guide the conservation actions needed for the ecoregion. Consultant Miguel Pellerano was hired by FVSA to write the document which describes the vision and the methodology used to reach it. FVSA is now using the GIS to produce maps to be used in communicating the vision to partners, decision-makers, and the public at large. During the next reporting period the tri-national WWF team will be reviewing the final technical document describing the long-term vision and a short-term action plan to advance toward achievement of the vision. They will also develop and begin implementation of a communication strategy to widely disseminate the vision and action plan.

Formalizing the collaboration between The Nature Conservancy and WWF is one of the most important next steps to advance toward making available the large scale funding that will be needed to implement actions necessary to achieve the long term biodiversity vision for the Upper Paraná Atlantic Forest.

Success Stories

Deforestation for agriculture and illegal logging in recent years have severely fragmented and degraded the Upper Paraná Atlantic Forest in Paraguay and given Paraguay the highest deforestation rate in all of South America. However, as a result of WWF and partner actions to disseminate the Biodiversity Vision in the Paraguay, in the last six months Paraguay's Environmental Prosecuting Attorney's Office (Fiscalia) has focused all of its resources on the enforcement of law in this ecoregion. As a result, several public employees of the Forest Service were indicted for corruption and activities detrimental to forest conservation and are now waiting for a hearing. In addition the very first hearing on an environmental crime within the Upper Paraná Atlantic Forest was held. Three directors of NGOs working in UPAF and the WWF Ecoregion Coordinator for Paraguay were called to testify as expert witnesses against a landowner who had illegally deforested 68 ha. in the Department of Canindeyu, District of Corpus Christi. Even though the affected area was very small, the case created an extremely important precedent for conservation of the UPAF in Paraguay. It was the first case against deforestation prosecuted in Paraguay. The administrator of the land was found guilty of the charges and sentenced to two years in prison plus a fine of 60.000.0000 guaranías (about US\$13.000), and was ordered to re-forest all the lands, which were degraded. (See Annex 2)

Operations of the Fiscalia in the Mbaracayú and San Rafael Priority Areas have also helped to strengthen law enforcement in the UPAF.

Even though the formal document of the vision was not yet completed, the vision is fully incorporated as a methodology guiding the conservation strategies of all the organizations working in the UPAF of Paraguay. This is a result of the participatory process, which involved these organizations in the development of the vision and the efforts of the WWF coordinator for the ecoregion in Paraguay to mobilize synergy of action among the organizations.

Challenges and Lessons Learnt

We have learned that although the participatory process of developing a biodiversity vision was very lengthy, involving many human resources to develop, this investment was cost effective in terms of the commitment it has generated among all the participating institutions to developing actions toward achieving the vision. The government, non-government, and private sector organizations in Paraguay are still very weak to face the huge challenges of deforestation, corruption, poverty, and the need to develop and promote a new model for agricultural production. However, an important lesson of this process is that coalitions among institutions with similar objectives can mobilize large-scale conservation actions, including fundraising, strengthening each others' capacities, and the implementation of short-, medium-, and long-term programs in the region.

An important challenge we face is the worsening economic crisis in Argentina. Because of its severely reduced budget the provincial government is unable to implement the Green Corridor Law passed in December 1999 even though the regulations were approved in early 2001. Because tax revenues are severely depleted, it will be necessary to obtain funds from private sources for the law's implementation.

Annex 2

1. News articles resulting from the event with Eco-clubs.
2. News article on cases prosecuted by the Fiscalía.
3. News article and pamphlets from the Community-Based Conservation Workshop held 6-12 August 6-12 in Mbaracayú
4. News article and pamphlets from the meeting "First Regional Congress of Regional Producers Cooperatives for Sustainable Development in the Interior Atlantic Forest" ("Primer Congreso Regional de las Cooperativas de Producción para el Desarrollo Sostenible del Bosque Atlántico Interior").
5. New map of the biodiversity vision of the Upper Paraná Atlantic Forest ecoregion.
6. Pamphlets on the Amambay and Mbaracayú Forum
7. Maps showing concentration of public and private funding per municipality in the Atlantic Forest of Brazil (source: Quem faz o que pela Mata Atlântica project)
8. "Forest of the Jaguar" Living Planet Issue 5, Fall 2001.
9. Final report GuyraParaguay (Grant FC36) Identification of priority sites for conservation action in the interior Atlantic Forest of Paraguay.
10. Map of the Forest cover of Interior Atlantic Forest in Paraguay.

Southwestern Amazon Moist Forest Ecoregion

Strategic Goals and Objectives

The objective of the Southwest Amazon Program is to conserve the full array of the biodiversity of the ecoregion by protecting key sites and wildlife populations and by shaping regional development to minimize threats to the ecoregion biodiversity. USAID support is focused on the development and consolidation of an Ecological Corridor (Amboró-Madidi) and strengthening the National Park Service (SERNAP) in Bolivia, and upgrading the status and protection of several Reserved Zones and promoting FSC Certification of Brazil nuts in Peru.

Collaborators/Partners

- * SERNAP - National Service of Protected Areas
- * CIDEDER – Centro Integrado de Defensa Ecológica y de Desarrollo).
- * BOLFOR – Bolivia Forestal
- * DGB - General Directorate for Biodiversity
- * FAN - Fundación Amigos de la Naturaleza
- * CISTEL - Center of Research and Services on Teledetection
- * CETEFOR - Forestry Technical Center
- * PROCESO Educational Services
- * CI - Conservation International
- * WCS - Wildlife Conservation Society
- * Local stakeholders (Indigenous Territories –TCOs-, Municipalities and local community organization or *Organizaciones Territoriales de Base* -OTB-).
- * INRENA - The Peruvian National Protected Areas Agency
- * ACCA - “Proyecto Castañales” of the Asociación para la Conservación de la Cuenca Amazónica
- * FENAMAD: Federación Nativa del Rio Madre de Dios y Afluentes
- * CP-CFV: Comité Peruano de Certificación Forestal Voluntaria
- * ADAR: Asociación para el Desarrollo Amazónico Rural.

Summary

The establishment of the Amboró-Madidi Corridor (CAM) is based on the development of three products within a five-year period: 1) Conservation plan for the Amboro-Madidi Corridor, 2) Monitoring and Evaluation System and, 3) Creating the working group for the Corridor.

The formation of the working group was initiated by PROCESO followed by meetings with two of the five sub-working groups. The process of formation of the Working Group was later suspended when the new SERNAP administration did not accept the proposal for the formation

of the participatory structure of the CAM. The terms of reference for PROCESO were changed to focus on training of trainer's activities for two areas from CAM with the first phase concluded. CISTEL completed the thematic maps (i.e. climate, geology, geomorphology) for the preparation of the ecological and vegetation maps of the corridor as well as the field verification of the vegetation map. CETEFOR completed the biodiversity and socioeconomic surveys of the Covendo-Cotacajes-Altamachi area and the proposal for the creation of the new protected area is now in discussion with local actors. FAN identified the critical areas and taxas for the collection of field data necessary for the analysis and design of the conservation plan.

In Peru, the first 100 days under the new Toledo Administration have been focused on three principle themes of national interest: the design of emergency social programs in order to generate employment, the mitigation of social conflicts in different areas within the country, and a process of moralization by public authorities in order to combat the extreme corruption left by the Fujimori government. Within this political context, the government has paid less attention to the development of a national environmental agenda to facilitate adequate natural resource management. Rather, it is focusing on promoting extractive activities such as mining, fishing, and unsustainable forest management, and the construction of roads without adequate consideration of environmental impacts. Further, timber extracting interests that have considerable influence in Peru's Environmental Congressional Committee have paralyzed the implementation of the new Forest and Wildlife Law, preventing the categorization of Natural Protected Areas that comply with its regulations. The government has instituted this paralysis in order to avoid increased social conflicts. In August, September, and October of 2001, INRENA was reorganized both in terms of structure and personnel, and is only now addressing all pending technical activities in order to categorize protected areas and to implement the Forest Law.

Highlights

- An ad hoc "Technical Advisory Committee" for the Amboró-Madidi Corridor was formed and includes representation of state organizations (The National Service of Protected Areas, the National Directorate for Biodiversity and "Ordenamiento Territorial"), national and international NGOs (Conservation International, Wildlife Conservation Society, CARE, Bolhispana, LIDEMA and WWF). An initial meeting of this Advisory Committee will take place to define committee activities.
- As a pilot project, PROCESO (an NGO based in Santa Cruz) concluded the first part of training of local actors in two areas of the Amboró-Madidi Connectivity Complex (ANMI Apolobamba area and Amboro National Park). The method being used is the training of trainers (environmental multipliers) with various organizational groups (municipalities, vigilance committees and functional organizations).
- The surveys to obtain data on biological and socio-economic aspects were concluded by CETEFOR in the Altmachi-Covendo-Cotacajes area. The verification of vegetation map in the field was completed by CISTEL.
- CETEFOR and CIDEDER, will have the support of WWF and Conservation International in their efforts of creating the Altamachi-Covendo-Cotacages. The proposal for the creation of a protected area in this area is now under consultation with local actors.
- The Forest Stewardship Council (FSC) officially approved Peru's Brazil nut management standards in October 2001.

- Amarakaeri's initial implementation process, previous to its categorization, is being planned thanks to the efforts of various NGO's and indigenous grassroots organizations such as Racimos de Ungurahui, FENAMAD, the Ministry of Education and FORTEPE through the Bilingual Intercultural Education Project (EBI). WWF-PPO has developed an Education and Communications plan for the Communal Reserve, which is in the midst of being validated by local populations. Nevertheless, a new threat has emerged in the south of the Amarakaeri Reserved Zone, in the form of conflicts over the lands of Native Communities and gold mining sectors. Native Communities and mining sectors are engaging in litigation in order to define their rights over these territories.
- The territorial conflicts over the definition of the limits of the Purus Reserved Zone have been resolved through the signing of an Accord between INRENA, FENEMAD (Federation of Madre de Dios Natives) and the timber logging guilds. The Purus Reserved Zone now consists of 2.7 million hectares and the initial implementation of the Reserved Zone has begun.

Results by Objective and Activity

Objective I: Consolidation of the Amboró-Madidi Connectivity Complex

Result 1.1. Establishment and strengthening of the Connectivity Complex Amboró-Madidi Working Group.

The work toward the creation of the working groups in the CAM was suspended because the new SERNAP administration was not in agreement with the proposed structure presented by the CAM coordinator hired by WWF for SERNAP. In view of the fact that the formation of the Working Group was questioned it was decided to change the terms of reference for PROCESO so that it could begin the process of forming environmental promoters (training trainers). During this semester PROCESO trained 95 people in two areas within the CAM (ANMI Apolobamba area and Amboro National Park), covering 29 municipalities and different sectors of local actors such as technical personnel from municipal governments, management committees for protected areas, park personnel, heads of organizations and TCO leaders. Four weeks of training workshops (two in each area) were carried out, as well as necessary follow-up in the field for application of training. Several municipalities offered matching funds so their technicians can continue with the application in the field of the methodologies that they learned. This reflects an important interest and commitment from municipal governments for this kind of activity.

The "Technical Advisory Committee" was conformed for the Amboró-Madidi Corridor and included representation of state organizations (The National Service of Protected Areas, the National Direction for Biodiversity and "Ordenamiento Territorial"), national and international NGOs (Conservation International, Wildlife Conservation Society, CARE, Bolhispana, LIDEMA and WWF). An initial meeting of this Advisory Committee will take place to define committee activities. It was decided that SERNAP would again hire the CAM coordinator with funds from WWF and that a technical team would be formed with support from other organizations. In addition, inter-institutional committees in the protected areas of the Corridor would be formed as an instrument to articulate the processes that are occurring in the CAM. FAN prepared a document summarizing the advances of the CAM in each municipality describing the importance of the CAM as well as the biological and socio-economic characteristics of each.

Result 1.2. Continuation of the Amboró-Madidi Connectivity Complex Design

CISTEL, an academic center from San Simon University based in Cochabamba, is preparing the ecological map of the Amboró-Madidi Corridor. This map is composed of Landscape or Ecological Units which are unique combinations of physical (climate, geology, geomorphology and physiography) and biological (vegetation) variables. The process of verification in the field was concluded identifying approximately 115 environmental units. These environmental units are currently in the process of being described and will be incorporated with the vegetation map in a printed document.

CETEFOR has completed the collection of biological and socio-economic data for the Altmachi-Covendo-Cotacajes area and has established a geographic information system based on the information collected and incorporating other existing data. On the other hand the proposal has been completed for the creation of a protected area in the region and is in the process of being consulted with local actors. Of special importance is that the area is one of the most intact cloud forests and also that two new species of amphibians were discovered.

In coordination with WCS, the collection of biological data in the northwest of Madidi National Park, was begun and currently researchers are in the field completing the biodiversity inventory.

Result 1.3. Continuation of the Biodiversity Monitoring and Evaluation System Design

FAN an NGO based in Santa Cruz, established the selection criteria for the taxas, identified taxas and areas where the different taxa should be sampled. The areas included Northwest of Madidi National Park, the Tacana TCO, Beni River, Altamachi-Covendo-Cotacajes, TIPNIS, Carrasco and Amboró National Parks core area, Pilon Lajas Reserve core area, Yuqui's and Yuracare's TCOs, and Ichilo River). Birds, amphibians, mammals (Marsupialia and Rodentia), Orchidaceae, Bromeliaceae, Cactaceae (epiphytes only) and Passifloraceae will be collected. Some of these surveys are being carried out by CETEFOR in coordination with WCS, the others will be carried out by CISTEL, Biodiversity Center and Ecology Institute, all these institutions are from state universities with extensive experience in this field of work.

The multi-temporal analysis of vegetation cover and land use change (i.e. vegetation map of the area taken at intervals of several years) is being verified in the field and areas undergoing a high process of land use change are being identified. During the field verification process are corrected vegetation units and kind of land uses identified on the satellite images classification. The work required more than estimated because the index of reflectance from cover types in the satellite images has low variability in zones like subandino forest and yungas thus it didn't help to divide the vegetation in classes. The 2000 vegetation and deforestation map will be used as the baseline for the monitoring and evaluation system.

Objective II: Strengthening and Consolidation of the National Service of protected Areas of Bolivia (SERNAP)

Result 2.1. Financial support to SERNAP to maintain activities in three areas of the National Protected Area System

The funds from the grant given to SERNAP covered only part of the total funds that they need for their management. Two new protected areas were incorporated into the National System of Protected Areas -- Reserva Cordillera de SAMA and ANMI EL Palmar. The elaboration of the master plan for the SNAP was initiated and the terms of reference for the consultancy on Gaps in Representation were developed. The Methodology for Monitoring and Evaluation for the Management of Protected Areas of SNAP is also being developed.

Apolobamba. Two new projects were developed ("Sustainable Use of the Vicuña" and "Improvement of Socio-Economic Conditions for the Community"). Funding is being sought for their implementation. 1320 routine patrols and 17 special patrols were undertaken. Ten parkguards were trained during the 4th training module for parkguards. The first meeting was held with the Management Committee. In addition, the first inter-institutional committee meeting was also held. Guidelines for the development of management plans for the Vicuna were also elaborated.

Carrasco. Advances have been made in the redefinition of limits (western portion was concluded and southern area will be next). A total of 225 routine patrols and three special patrols were undertaken in the eight operational districts. 11.5 km were cleaned on the northern limit of the red line park boundary. Support is being provided to 10 research efforts (i.e. analysis and modeling of impacts on conservation of biodiversity). Nine community projects were supported and 39 meetings with communities and union leaders were held.

Noel Kempff Mercado. Three ecotourism-training courses were carried out in three separate communities. One hundred and sixty routine patrols were undertaken by river and land. Together with BOLFOR a short course on tree felling was undertaken. An environmental education project was designed in coordination with the Noel Kempff Mercado Museum. Fourteen rural property land use plans were supported as well as credit committees for economic management.

Objective III: Promote the creation of new protected areas and the incorporation of these areas into the National System of Protected Areas of Peru (SINANPE).

Result 3.1. Creation of New Protected Areas

Manu: The Manu National Park Management Plan, which incorporates the Manu Reserved Zone, is being validated through technical consultations and by stakeholders in various sectors. The technical dossier for the final categorization of the Manu Reserved Zone has been completed, including relevant cartography and biological assessments. INRENA has been responsible for developing this technical dossier while the WWF has provided technical assistance for its revision and financial support to pay for INRENA staff hours. The salaries of one park chief and two park guards have been paid during the reporting period. The Education and Communications Plan for the Manu Biosphere Reserve have been developed by WWF and are being validated by local populations.

Amarakaeri: INRENA has completed the biodiversity and socio-economic assessments, and the technical dossier required for final categorization with WWF financial and technical assistance for these activities. At least three participatory workshops have been held with surrounding native communities to raise awareness and discuss the benefits that will result from categorizing this reserved zone as a Communal Reserve. These workshops have been organized and coordinated by INRENA, with WWF financial assistance. With the cooperation of indigenous Harakmbut, Matsiguenga and Yine communities, participatory geo referenced

boundary demarcation has taken place and signs have been posted to establish the limits of the Amarakaeri Reserved Zone. This will help avoid any land tenure issues that may arise in future. The salaries of one local coordinator and two short-term assistants in GIS have been covered during the reporting period.

Alto Purus: 90% of the basic cartography for zoning has been completed jointly by INRENA and WWF. The limits of the Reserved Zone have been redefined to exclude areas of potential conflict, such as logging areas in the Sepahua and Atalaya watersheds or titled Indigenous territories in the Yurua watershed. These limits have been redefined by INRENA, with technical support from the FENAMAD and WWF during two consultative meetings. The southern limits of the Reserved Zone (Las Piedras, Los Amigos, and Tahuamanu Rivers) have been defined thanks to an over flight conducted by INRENA and WWF in June of this year. An agreement has also been signed between INRENA, FENAMAD and the timber extracting groups in order to define the limits of the Purus Reserved Zone. WWF is providing necessary financial assistance by hiring the protected area coordinator. Additionally, the initial implementation of the area has begun involving the purchase of camping equipment, a boat, two motors and a radio communications system.

Objective IV: To certify 300,000 hectares for the gathering of Brazil nuts over a period of five years

Result 4.1. Voluntary Forest Certification

The Forest Stewardship Council (FSC) has approved the Peruvian Council for Voluntary Forest Certification (PCVFC) in Peru. WWF and ACCA together developed the technical dossier that was submitted for approval to the FSC, and WWF funded coordination meetings with the Madre de Dios, Ucayali, Loreto, and Lima Working Groups. The FSC has already approved the Brazil nut (*Bertholletia excelsa*) standards for management and certification. WWF organized and funded several workshops with representatives from each regional working group in order to develop a regional standard. Furthermore, it provided technical assistance and 50% of the financial support required for field tests in Pichanaki, Pucallpa and Iquitos.

Tables of Progress

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
1.1	* Ecological Corridor Working Group (ECWG) organized. Roles and Responsibilities identified among the group. Part of this was changed by training of trainers (environmental promoters) in two areas within the CAM	On-track Completed
1.2	* Field-based biological and ecological assessments completed to inform conservation decisions. * Vegetation Map and its description document. Increase of conservation database. * Digital Elevation Model of CAM.	On-track On-track On-track

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
1.3	<ul style="list-style-type: none"> * Ecological zoning and protection plan designed for the corridor, including maps of biological (species distributions, habitat and landscape characteristics, indicators) and socioeconomic (threats, focal activities) components. * Evaluation of current status of biodiversity conservation (gap analysis, habitat representation, PAs viability). * Multi-temporal change vegetation cover study. * Design Biodiversity Monitoring and Evaluation System. 	On-track On-track On-track On-track
2.1	<ul style="list-style-type: none"> * Onsite presence of protection staff during this period increased. * Park guards provided in support of the protection of Carrasco, Noel Kempff Mercado & Apolobamba Natl Parks. 	Completed Completed
2.1	<ul style="list-style-type: none"> * Integration of sectoral legislation and norms in favor of protection advanced. * Co-ordination among central, departmental and local governments in support of protection improved. * System planning including monitoring and evaluation is maintained * Permanent personnel and consultants hired. 	Completed Completed Completed Completed
3.1	<ul style="list-style-type: none"> * Creation of the Alto Purus, Amarakaeri and Manu Reserved Zones and the incorporation of these areas into the National System of Protected Areas (SINANPE) 	Delayed due to INRENA.
4.1	<ul style="list-style-type: none"> * 30,000 hectares of Brazil nut certified in year one according to Forest Stewardship Council principles and guidelines. 	On-track

* Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Next Steps

For the last 6-12 months, WWF and other international (i.e. CI, WCS) and national HGO's (TNC's local partners) have been trying to convince SERNAP of the advantages of working with corridors and the need of having a coordinator to allow different stakeholders to interact with SERNAP. SERNAP has been reluctant to work with corridors, because according to them, this approach does not fit existing Government structures and official representation and communication channels. The last meeting between NGO's (including donor organizations like USAID and Cooperacion Española) and SERNAP took place in May 2001. Since then, slow progress has taken place and it seems that SERNAP is about to agree on allowing WWF to hire the Coordinator for the CAM. There is already a candidate for the position and the appointment may occur as early as February 2002. Mediation between the NGO community and SERNAP is being carried out by the former head of SERNAP.

During the next six months we plan to conclude the vegetation map of the CAM and have it published. We also plan to have the negotiations ready for the creation of a new protected area in the Altamachi-Covendo-Cotacajes area. A multi-temporal analysis of changes of forest cover will be ready, including more detailed analysis of four zones -- such as the Chapare and zone of Yapacani -- which has a high rate in terms of changes in land use. We hope to have

completed the collection of biological data and the taxa selected by FAN. With all of the above mentioned we feel that we will be ready at the end of the next fiscal year (FY02) to identify and prioritize areas under which to focus conservation or sustainable management efforts.

In the next six months, while we await final government approval for the Alto Purus, Amaraeri and Manu Reserved Zones in Peru, we will begin preliminary implementation of management at these sites. In Manu and Amaraeri, support will involve final validation of Environmental Education and Communications plans with the local population, training and capacity building to local park guards and developing a threats mitigation plan for gold mining. In the Alto Purus, we will continue to purchase equipment and possibly construct a park guard control post and complete the site's technical dossier. Recognition at the site level among local dwellers will legitimize the sites even prior to their official recognition by Government authorities. The PPO will also advocate for speedy creation of these areas with key government officials within INRENA and the Ministry of Agriculture. We will also undertake a study of Brazil nut commercialization and, weaknesses in its production in order to define ways in which to improve Brazil nut extractors links to international and national markets. This will lay the foundation for future Brazil nut certification. Conversations were held with different players in the Brazil Nut sector, in both Lima and the city of Puerto Maldonado. We participated in meetings with organizations such as CTAR-MDD, the Brazil Nut Project, the Candela Peru business, FADEMAD, DIGESA, PROMPEX and INRENA, as well as with Congressman Eduardo Salhuana, representative of the Department of Madre de Dios.

Success Stories

The ecoregional analysis has the advantage of helping to identify important areas for conservation. In a first effort undertaken by FAN for WWF in the Amboró-Madidi corridor it was identified as a highly preserved area in the sub Andean region and Yungas (Altamachi-Covendo-Cotacajes). This was a priority for WWF and funds were awarded to CETEFOR-CIDEDER to collect biological and socio-economic data. The characteristics of the area show themselves for creation of a protected area under categories I-III of the IUCN (national parks). At this time necessary steps are being taken with local actors in order to obtain a consensus regarding the need to create a protected area in that region. Also, the results from the studies sponsored by WWF and carried out by CETEFOR-CIDEDER for this area have attracted the attention of other conservation NGOS such as CI and who will now support CIDEDER on land tenure work in the 14 communities that would be bordering the proposed protected area.

The most significant highlight during this period has been the approval of by FSC of Brazil nut standards for Peru.

Challenges and lessons learned

The difficulties experienced in moving the agenda for the work at the corridor level, have basically emerge as a result of the high turnover in key bureaucratic position within the Bolivian Government. It is very likely that these difficulties will continue as long as these positions are political in nature and the process does not permeate to lower more technical positions. Because these lower technical positions have a lower turnover, it may be possible to gain sufficient momentum to enable the corridor agenda to move on its own in spite of changes at higher levels. Additionally, more lobbying should be carried out at political levels above the Directorate of SERNAP, so individual changes not necessary put on hold entire processes.

When we are working with satellite images in mountainous areas it is necessary to consider increased efforts in terms of field verification in comparison with lowland areas as well as to support oneself with additional information such as climate models and others which help in the differentiation between different types of vegetation and coverage. Additionally it is important to consider allocating sufficient time for necessary field verification work considering that many times these areas have poor road infrastructure (due to heavy rains etc.) as well as social problems (road blocks etc.) which can easily delay the work.

In Bolivia, the CAM area overlaps with one of the most important and conflictive area (coca leaf production). During the entire fiscal year there were manifestations which in some cases directly affected the collection of data in the field. One specific example occurred in Altamachi where farmers would not allow biologists to enter the area and take samples - this caused not only delays but added costs in terms of gathering data. To avoid unplanned expenses it was considered that trips were necessary a few days prior to entering the area so that a better feel for social tensions could be obtained and thus better plan and coordinate field work. This new approach has worked well thus far.

One of the most significant challenges for the PPO in the last six months has involved working with the new Toledo Administration and dealing with internal staff and administrative changes within INRENA at the central and site level. As during President Paniagua's transitional government, this period has also been politically uncertain making planning and implementation of conservation initiatives unpredictable, though in this sense, also challenging. We have learned that regardless of delays imposed by this new administration, the PPO can nevertheless carry out a variety of effective conservation actions in the field with local stakeholders and communities while awaiting formal government approval, for instance in the creation of new protected areas. We have also learned that we must work more closely with key government officials to promote our conservation agenda at a speedier pace.

Forests of the Lower Mekong

Strategic Goals & Objectives

The Forests of the Lower Mekong (FLM) is an ecoregional complex, which contains the Greater Annamites and the Dry Forests of the Lower Mekong Basin Ecoregions: two of WWF's Global 200 most endangered spaces. The FLM comprises an incredibly high diversity of habitats including dry dipterocarp forests, moist evergreen forests, karst limestone forests, open grasslands and savannas, upland plateaus, wetlands, and pristine riparian environments. Habitats in the FLM support diverse, abundant, and rare wildlife and are highly interrelated ecologically. Covering much of the region referred to as Indochina, these ecoregions have been strongly connected both politically and socially.

The goal of the ecoregion program for the Forests of the Lower Mekong is: to ensure the conservation and sustainable use of biodiversity and maintain the integrity of biological processes across the Forests of the Lower Mekong.

The objectives for the program are to:

- Mobilize conservation on an ecoregional scale
- Promote integrated conservation and development in priority landscapes of the Forests of the Lower Mekong
- Promote a supportive policy environment for conservation and sustainable natural resource management
- Lay the foundation for lasting conservation
- Promote the conservation of the marine biodiversity of Con Dao National Park

Collaborators/Partners

Greater Annamites Ecoregion

- Government of Vietnam:
 - *Ministry of Agriculture and Rural Development* (Forest Protection Department; International Cooperation Department; Department for Forestry Development; Forest Inventory and Planning Institute); (central and provisional levels)
 - *National Centre for Natural Sciences and Technology*: Institute for Ecological and Biological Resources
 - *Ministry of Science, Technology and the Environment* (National Environment Agency)
 - Representatives of Provincial level People's Committees.
 - Central Committee for Ethnic Minorities and Mountainous Areas (CEMMA)
 - National University of Vietnam; Xuan Mai Forestry College

- Government of Lao PDR:
 - Department of Forestry and other relevant government Ministries and Departments
- International NGOs:
 - TRAFFIC Indochina Program (SE Asia); IUCN; Birdlife International; CARE International; SNV; Wildlife Conservation Society
- United Nation Development Program (UNDP)

Dry Forests of Central Indochina Ecoregion

- Royal Government of Cambodia:
 - *Ministry of Environment and Provincial Environment Departments*; Department of Conservation and Nature Development
 - *Ministry of Agriculture, Forestry and Fisheries*; Department of Forestry and Wildlife
- International NGOs
 - Wildlife Conservation Society; Flora and Fauna International; TRAFFIC Indochina Program (SE Asia); International Development Research Centre (IDRC), Oxfam US

Summary

The aim of this year's work in the FLM was to establish a structured ecoregion program with impacts at the ecoregion, landscape, and site scales.

At the ecoregion scale, a stakeholder-driven vision for conservation success through out the **FLM** was finalized. The published FLM Biodiversity Vision stands as a clear framework for the continuing growth and development of the ecoregion program. This Vision is a reflection of the minds of the most experienced conservation biologists in the region. The intensely collaborative process through which this Vision was created has resulted in a document that is both meaningful and valued by a wide number of people and institutions. Activities in the last six months focused on making this Vision a living document by establishing concentrated conservation efforts within two landscapes identified in the Vision as being of the highest conservation priority.

In the **Central Annamites**, building on the methodology and workplan created by the Steering Committee last January, a team of Laos and Vietnamese scientists collaborated to develop a landscape-scale biodiversity vision. *The process of creating this Vision has proven so successful that the Vietnamese government plans to use the same methodology to independently plan conservation activities in the Northern Annamites and other areas.* This targeted biodiversity vision, completed in September, reflects an increased level of detail and accuracy in both the biological and socio-economic data used in its development. The conclusions of the vision will be critical to the development of a Central Annamites conservation strategy and will support the integration of conservation objectives into development plans of the two governments.

In the **Eastern Plains** priority landscape, activities have also focused on the development of a conservation strategy. The context in Cambodia is significantly different than in Vietnam and WWF has designed its conservation strategy accordingly. In particular, we have faced three challenges: (1) a severe lack of available data and understanding of the ecological processes in

this unique habitat; (2) a considerable lack of capacity within Cambodia, particularly to undertake surveys and assessments; and (3) limited access within the landscape to both remote areas and also large towns during all but a few months of each year due to the wet season. To address these challenges, WWF focused its activities on gathering the first set of comprehensive data on the Eastern Plains in 40 years during the optimal dry season and then, during the wet season (this reporting period), convening teams from the various ministries and partner conservation organizations to discuss the data and design activities aimed at establishing conservation areas management capacity.

At the site level, community natural resource needs and the applicability of sustainable forest management standards were tested within the two priority landscapes. These activities provided invaluable lessons regarding policy for community forestry and sustainable forest management through out Vietnam and Cambodia.

Highlights

❖ **Biodiversity Vision Published**

This biodiversity vision stands as a record of unprecedented regional cooperation on a conservation prioritization activity in Indochina. An accompanying technical annex, summary, and poster have been created and disseminated in tandem with the release of the biodiversity vision bringing high profile attention to the program.

❖ **First Dry Forests Conservation Strategy Workshop**

Future conservation actions were endorsed at this meeting by leading officials of the Royal Government of Cambodia. Following the first multi-sector surveys in the Dry Forests in 40 years, conservation partners and stakeholders in Cambodia met to share their experiences and data in order to discuss possible conservation strategies for the Dry Forests. The participants stated clear common goals and immediate conservation actions required to meet those goals.

❖ **Biological and Socio-Economic Assessments Completed for Central Annamites**

Biological advisory teams, established in Laos and Vietnam, worked together to produce the first landscape scale biodiversity vision in Indochina. *The biodiversity vision process was so successful that the Vietnamese government plans to copy it for other landscapes and regions in the coming year.* The biological assessment was matched by some of the most innovative socio-economic studies related to conservation undertaken in Vietnam and Laos. These studies assessed both threats and opportunities for conservation at larger scales and directly compared conservation priorities with government development plans.

❖ **Agreement Reached to Manage 40% of the Kon Plong Forests for Conservation**

The "Sustainable Forest Management of the Kon Plong Forest Complex" project completed preliminary biodiversity surveys in the Forest Complex and published its final report in May. The project is one of the first joint ventures in Vietnam between a private company (SCANCOM), and international NGO (WWF) and the Vietnam Government SFEs. As a direct outcome of this innovative partnership, agreement has been reached to manage 40% of the forest for biodiversity conservation, while ecologically sustainable timber harvest will occur throughout the rest. In addition, funding has been secured from the Royal Netherlands Government to prepare the necessary biodiversity information on the Forest Complex to fulfill the ecological requirements of the FSC standards for forest management and certification.

❖ **Towards Laos Membership in CITES**

A National Workshop of key officials of the Lao government was held in Vientiane to encourage the Laos government to accede to CITES membership. The officials recognized the great threat to biodiversity posed by the intensive wildlife trade in Laos and held a number of discussions since the workshop to proceed towards attaining membership by the Council of Parties meeting in November.

❖ **Biological Monitoring Capacity Established in Con Dao National Park**

A team of technical staff of Con Dao National Park have now completed training in reef monitoring techniques have proved their abilities by participating in the annual “reefcheck” that was conducted by external consultants previously.

Results by Objective and Activity

Objective I: Mobilize conservation on an ecoregional scale

Activities under this objective are focused on: (1) providing a strong scientific basis for conservation priorities in the region; (2) working with multiple stakeholders to develop consensus goals and undertake integrated programs of action; and (3) communicating the purpose, activities and results of the program in order to build the foundations for future fundraising and promote widespread awareness of the ecoregion’s conservation value.

Result 1.1: Ecoregional Planning

In September, the biodiversity vision entitled *Towards a vision for Biodiversity Conservation in the Forests of the Lower Mekong Ecoregion Complex* was completed and published. This work is the result of the unprecedented collaboration by regional biologists. The document provides a blueprint for conserving the biodiversity of the Forests of the Lower Mekong, which reflects full stakeholder participation and buy-in. The main volume of this document describes the biological importance of the Ecoregion Complex, the threats to the biodiversity and the vision for success. Volume Two, the technical annex, provides further details on the priority landscapes identified during the process and summaries of the desk studies prepared as part of the assessment.

Towards a vision for Biodiversity Conservation in the Forests of the Lower Mekong Ecoregion Complex is essentially a scientific document. We have produced, therefore, a shorter and glossier document, published in four languages (English, Khmer, Lao and Vietnamese) for general distribution to government and nongovernment partners.

The Biodiversity Vision, already used prior to publication to inform the Biodiversity Action Plans of Vietnam, Laos and Cambodia, has continued to play an important part in the construction of national and regional conservation strategies and action plans. Since the last reporting period, the Vietnamese government has shown interest in focusing a new biological assessment on the Northern Annamites Priority Landscape—an area defined and rated as a high priority in the Vision. They also intend to adopt the planning methodology used by WWF and our partners in

the Central Annamites. The Vision has further been used as part of the framework for the spatial planning of Vu Quang Nature Reserve as reported in a recent publication¹.

Negotiations were begun in Lao this August, between WWF and the recently formed Biodiversity Forum (the official forum for the three countries of Laos, Vietnam and Cambodia to discuss and implement common actions for biodiversity conservation). The purpose of the negotiations is to find common ground to establish conservation action in the region based on the priorities defined in the Biodiversity Vision document.

To highlight the links between the Biodiversity Vision and national conservation strategies, three launches are now scheduled:

1. Hanoi on October 18, 2001. Facilitated by the Ministry of Agriculture and Rural Development (the main implementers of conservation action) and the Ministry of Science, Technology and the Environment (the ministry responsible for environmental regulation and biodiversity conservation).
2. Phnom Penh on November 28. To coincide with the final stakeholder consultation meeting for the proposed GEF project in the Eastern Plains. This launch will be used as the opportunity to officially launch the Dry Forests Conservation Initiative.
3. Vientiane on December 2. To be included as part of the discussions to formulate a Lao steering committee for the Greater Annamites.

Each launch will include a photograph display using the portfolio collated as part of the photo project undertaken this year.

Result 1.2: Establish and strengthen ecoregional program management capacity

Strategic Plan and Institutional Arrangements

Since the establishment of a permanent ecoregion unit in the WWF Indochina Head office in Hanoi, the institutional and administrative aspects of the Ecoregion program have strengthened considerably both within the three countries of the ecoregion and also the WWF Indochina Program. The Strategic Plan, designed to focus all Indochina Program activities towards achievement of ecoregion program goals, was completed and adopted in September. The ecoregion program now plays a key role in the management and conservation work of the entire WWF Indochina program, initiating and coordinating projects and activities which are directly implemented by the Program Managers in Cambodia, Laos and Vietnam.

Nguyen Thi Dao, the Ecoregion Program Officer, successfully applied for funding from the Russell E. Train Award scheme to attend the Master's Degree course in Conservation Biology at the Durrell Institute of Conservation and Ecology (DICE) at the University of Kent at Canterbury, UK. Dao will return initially in May to undertake her research project on community-based conservation in the Central Annamites as part of the ecoregion conservation activities. She will return full-time to work for the ecoregion in October 2001. Mac Tuyet Nga has been recruited as the interim Ecoregion Program Officer.

Truong Viet Hung joined the team in Hanoi in July as the Ecoregion Information Officer.

¹ Eve, R., S. Madhavan and Vu Van Dung (2001) Spatial Planning for Nature Conservation in Vu Quang Nature Reserve.

WWF has also created two new posts in its Indochina program to build a stronger management capacity to provide more capacity to undertake ecoregion scale activities. Martin Geiger, previously with GTZ was appointed as the Head of the WWF Indochina Forest Program (part funded through the ecoregion program core funding—see Result 3.2 below) and Craig Leisher move from his post in UNDP to act as the Operations and Policy Director with responsibility for supervising project cycle management and fundraising.

Steering Groups and Technical Support

The *Greater Annamite Steering Committee (Vietnam)* has been actively working on the development of the Central Annamites Initiative. The three core group members have advised on the development of communication materials, the implementation plan and institutional diplomacy. A biological advisory group comprising members of the government, universities and international NGO's such as IUCN and Wildlife Conservation Society was established in Lao in August and has been supporting the biological assessment work in the Central Annamites in coordination with the biological group in Vietnam, previously established in May. Establishment of the *Greater Annamites Steering Committee for Laos* is a priority for next year.

Efforts to build partnerships with national and international technical experts over the course of last year as a step toward the formation of a *Technical Support Group* were successful. The group, currently operating informally, will be formally established next year. In addition, a number of key technical staff from various parts of the WWF network have provided advice and support to the FLM ecoregion program since its formation. These staff include: Stewart Maginnis, Head of the Forest Restoration Program of WWF International who has been cooperating with the Ecoregion Unit on its future forest restoration work in the Central Annamites; Chng Soh Koon of the WWF International Asia-Pacific communication unit; and Steve Osofsky of the WWF US Endangered Species program.

Communications

The last six months we have produced three high quality communication documents to promote and publicize the purpose and activities of the ecoregion program. The Biodiversity Vision and summary document described in 1.1 and a poster aimed specifically at promoting the Greater Annamites Ecoregion within Vietnam. This poster has already been distributed to conservation partners. Brochures on each of the focal ecoregions (Greater Annamites and Central Indochina Dry Forests) have been prepared and will be printed in the coming six months.

In addition, an internet-based photo-story of the Greater Annamites has been designed. This project is a collaboration between WWF and a private web design company based in India. The photo-story focuses on the new and mysterious species of the Annamites. It will be online for viewing in the first half of November.

Photographer Ben Hayes traveled in June to Cambodia to complete the portfolio of pictures on the Dry Forests for the photo project detailed in the last semi-annual report. The availability of high quality photographs depicting landscapes, habitats, species, threats and people of the ecoregion has been critical to the development of the suite of communication materials and reports published this year. The photographs have also been used in a wide variety of both WWF and partner organization materials and projects.

Objective II: Promote integrated conservation and development in priority landscapes of the Forests of the Lower Mekong

A key component of the effort to establish effective long-term conservation in the FLM is the creation of two large-scale landscape based conservation initiatives: Central Annamites and Eastern Plains. Conservation efforts in Indochina have not previously been attempted at this scale. These two initiatives, therefore, mark a clear milestone toward coordinated and strategic action to protect biodiversity values and address key threats in Indochina.

At this scale, the program aims to incorporate conservation goals within the overarching development plans for these areas. The approach incorporates coordination through wide stakeholder collaboration and consultation, development of a clear conservation strategy and the implementation of direct priority actions. This approach ensures that not only direct critical conservation results are achieved but also provides an opportunity to explore partnerships, identify specific issues and demonstrate new approaches—creating a strong framework for scaling-up to ecoregion-wide activities.

Result 2.1: Develop and initiate Central Annamite (Greater Annamite Ecoregion) Priority Landscape program

The Central Annamites Initiative made important advances during this period with regard to stakeholder participation, links to government policy, and direct conservation action. The Initiative is increasingly considered to be a key pilot activity of the Forest Sector Support Partnership (FSSP), set up to provide coordinated sector-wide support to the government forest sector policy including the Five Million Hectare Program (5MHP). As the first large-scale conservation initiative created with direct links to government forestry policy, the Central Annamites Initiative provides a model for implementing conservation action related to forest management.

Stakeholder Consultation

The resource working group of Central Annamites Initiative partners, established last reporting period, has now expanded from the national scale to the provinces. **Provincial support teams**, made up of members of key partner institutions have been established throughout the Central Annamites in both Vietnam and Laos. These provincial teams are currently supporting the program by facilitating surveys and studies in their provinces. Each activity, study and consultation process has been designed to: (1) involve as many partners as possible, ensuring broad consultation and buy-in; and (2) build capacity at the same time as achieving the activity objective.

A key learning during this period was the importance of first cultivating informal relationships with stakeholders to establish an atmosphere of cooperation and collaboration and then moving to formalize partnerships. The willingness to cooperate and collaborate on this initiative demonstrated during our informal interactions with stakeholders indicates that formal partnerships and coalitions are possible and will result in strong and sustainable partnerships as part of the implementation plan next year.

Strategic Planning

In April, the Ecoregion program initiated development of a comprehensive conservation strategy and action plan for the Central Annamites priority landscape. Based on the expected data and information requirements to develop a comprehensive conservation strategy, a series of studies were identified. These studies were designed to support the two-pronged approach also used at the ecoregion scale i.e. a biodiversity vision and a situation analysis. Capitalizing on the strong

stakeholder relationships we have achieved, as many as 30 institutions have been involved with the studies.

Assessments

The Central Annamites biodiversity vision was successfully completed in September. In April, Jack Tordoff of Birdlife International was recruited to coordinate the development of Central Annamites biodiversity vision through a systematic biological assessment. Using the framework developed in the biological vision for the FLM, the Central Annamites biological assessment developed clear biological conservation targets and a conservation landscape indicating areas of urgent, short (2-10 years)-, medium (10-30 years)- and long- term (30+ years) priority for conservation. A team of biologists from Vietnam and Laos, including international experts working in the region, designed and undertook the biological assessment supported by technical consultants in GIS and biological conservation planning. The resulting vision clearly identifies biological conservation foci for the four categories: habitats and ecosystems, species groups, species and landscape features such as corridors. For each foci, measurable targets and priority actions were identified. These targets were then used as the basis for defining a conservation landscape. The conservation landscape comprises areas for forest conservation and areas requiring forest restoration. Each area is ranked to their priority for implementation and their importance as a component of the overall landscape.

The process was acknowledged by all the participants as very successful and as providing a strong foundation to the conservation initiative. *Based on the success of the assessment, a similar process will be used by the Vietnamese government for the Northern Annamites and for other areas in Vietnam. A proposal by WWF and the Vietnamese government is also presently being prepared to undertake the process in another landscape in the Southern Annamites.*

A Situational Analysis of social and economic issues was also initiated to inform the development of the Central Annamites conservation strategy. Eight studies have been planned of which five have been completed. The remaining three are presently ongoing and will be completed in the next quarter. The studies include:

- ❖ **Basic socio-economic benchmark data** from all provinces in the Central Annamites including the preliminary stakeholder analysis. This has been completed, the report finalized and the data incorporated within the Ecoregion Information System.
- ❖ **Land-use and land-use management.** Detailed maps with a supporting report has been completed. These maps were essential for the biological assessment.
- ❖ Case study on **natural resource use management systems** in ethnic minority villages in Hong Ha District, Thua-Thien-Hue Province, Vietnam
- ❖ **Development plans and policies study** A major study undertaken by 10 consultants (International, Vietnamese and Lao) to identify all development activities planned by the government, private sector and by major donors and assess future threats and opportunities posed to the conservation strategy.
- ❖ **Hunting and wildlife trade case studies** in Thua-Thien-Hue and Quang Nam Provinces province has been launched to gain a greater understanding to the most immediate threat to biodiversity in this landscape and the ecoregion as a whole.
- ❖ **People, land and resources study** This study is aimed at examining the issues related to population such as migration and issues related to land tenure and resource rights of indigenous people

- ❖ A scoping assessment of the potential to attract **Tourism development** to the Central Annamites
- ❖ **Institutional capacity** status report will be produced which outlines the major players and capacity resource needs to undertake conservation actions in the Central Annamites

Synergy with Government Policies and Government/Partner Programs

Another principal activity in the last six months has been to both integrate with and attract other projects to the Central Annamites in order to provide a greater level of synergy and conservation impact. The following projects are presently working either directly with the Initiative or are undertaking critical activities that will support the completion of the conservation strategy:

- ❖ **Strengthening Protected Area Management.** This WWF and Vietnam Forest Protection Department project is critical to the success of ecoregion conservation in Vietnam. The project aims to establish an effective protected area management system in Vietnam, working in part through the 5MHP. The project was initiated in three provinces which will serve as case studies--one of which is Thua-Thien-Hue Province in the Central Annamites. Initial studies looking at aspects of protected area management from sustainable finance, to capacity building needs, to biological monitoring techniques have been completed and the structure of the protected area strategy has been drafted. The final results of this project will provide useful and important information to support the development of the Central Annamites conservation strategy.
- ❖ **The WWF Forests for Life Program** has selected the Central Annamites as one of their global focal landscapes to undertake forest restoration activities—one of the key objectives of the conservation work planned for the Central Annamites. They are providing technical support for the strategy development.
- ❖ **Regional Protected Area Review** implemented by IUCN in cooperation with WWF and Birdlife International are undertaking a review of the Protected Areas of Cambodia, Laos and Vietnam and their role in provincial economic development. Following consultations with the FLM Ecoregion Coordinator, the project decided to select Thua-Thien-Hue Province to complement the activities and studies of the Central Annamites Initiative.
- ❖ **Biodiversity Modelling** A partnership between WWF, the American Museum of Natural History (AMNH) and Columbia University has been established to create a biodiversity model. The US institutions will provide vital technical support to the remote sensing component of the work, designed to define where habitat management, such as forest restoration, will be appropriate within the priority areas identified in the Central Annamites biodiversity vision. Using the expertise of the Vietnamese and Lao based scientists, together with technical expertise and facilities of the AMNH and Columbia University, the project is aimed at understanding the ecological patterns and processes that determine the status and distribution of the biodiversity in the Central Annamites. The US based institutions have at a wealth of satellite data, technical expertise and necessary hardware that will significantly add to the value of the ground-based data collected or to be collected. Once we have obtained a basic understanding of the patterns and processes, we will use that understanding to model and predict the biodiversity patterns and therefore create a more accurately designed conservation landscape.

Conservation action

Several projects have been developed to implement immediate conservation action in the Central Annamites where the needs are urgent and obvious:

- ❖ A GEF medium sized proposed project entitled “The Green Corridor” was developed to restore and manage a forest corridor extending from the Lao border to Vietnamese coastline. Based on the biodiversity vision, the initial focal area of this project was refined to the region of highest priority for conservation action in the Central Annamites. This project, to be implemented in 2002, will establish a new protected area to secure vital habitat for globally significant species presently severely under represented within the present protected area system.
- ❖ The newly gazetted protected area, Song Thanh Nature Reserve (one of Vietnam’s largest protected area) has at present no capacity for conservation management. WWF cooperated with the Forest Protection Department of Quang Nam province to identify immediate priority needs and design an intervention, such as implementation of a co-management regime between the Reserve and the communities surrounding it. This project has since been funded by WWF and implementation began in September.
- ❖ WWF has identified Song Thanh Nature Reserve and Phong Dien Nature Reserve (Thua-Thien-Hue province) as key sites for Tiger conservation. As part of the Tiger conservation work in Central Vietnam, staff of these reserves and provinces have been trained in tiger conservation activities such as awareness and enforcement.

Result (Activity) 2.2: Develop and initiate a program for the Eastern Plains Priority Landscape

Capacity Building

A Resource Rights and Participatory Planning Project has been developed, based on discussions held during the Dry Forests Workshop. The goal of this project is to strengthen governance of natural resources in the Eastern Plains through securing land and resource tenure rights for upland minority communities and improving information flow between communities and the Government. (see Result 3.4 for more detail);

Staff members of the Ministries of Environment and Forestry and Fisheries involved with the community resource assessments conducted last year will make up the project team. Building on the capacity they gained last year to undertake surveys, the project team will now be trained in the skills necessary to manage and implement this new project. Working in cooperation with WWF, the project team will subsequently gain hands on project implementation experience as project activities get underway.

Planning workshop and Stakeholder Consultation

Leading government staff of the Royal Cambodia Government participated in the Conservation Strategy Workshop for the Dry Forests held in July in Phnom Penh. The workshop proceedings and report are a blueprint for conservation strategies and their links to development plans in the Dry Forests and represent government endorsement for future conservation actions to conserve the Dry Forests. The 50 participants of the workshop defined long-term conservation goals; identified priority sites for conservation consultative and systematic process; identified major threats, including gaps in information, capacity or policy; and finally made recommendations for conservation action.

This event was a critical opportunity to gather together the results from the first surveys of this area in 40 years (reported in the previous SAR) and establish the status of the forests and its biodiversity after these years of turmoil in Cambodia. Numerous maps describing land use and land cover, wildlife and habitat conditions, demographics and terrain were produced both for and following the Conservation Strategy Workshop. These maps, as part of the workshop proceedings and conclusions, will help to inform the next steps in engagement of provincial partners in integrated conservation and development.

The workshop also provided a clear mandate for increased engagement in Mondulkiri Province, as well as suggesting a logical framework for a medium-sized GEF grant for integrated conservation and development in the Eastern Plains landscape. This activity has since been included as a key component of the implementation plan for the Eastern Plains next year.

Controlling wildlife trade

The principal conclusion of the Dry Forests workshop was that the single greatest threat to the biodiversity was from illegal hunting. All conservation partners involved in work in the Eastern Plains agreed to focus on protection over the upcoming field season. A special session in the workshop outlined a comprehensive strategy for protection involving research into the dynamics of wildlife populations and hunting, education at all levels, legislation and development of technical regulations, enforcement of laws and regulations, and monitoring.

Objective III: Promote a supportive policy environment for conservation and sustainable natural resource management

Result (Activity) 3.1: Socioeconomic Assessment for the Forests of the Lower Mekong

As reported in the first semi-annual report for FY01, careful discussions with partners working in the ecoregions resulted in the decision to conduct these studies at the landscape scale, where little information exists rather than the ecoregion scale where a number of studies have already been conducted. Socioeconomic issues, therefore, have been examined as part of the conservation strategy development in the Central Annamites and the Eastern Plains. As part of the implementation plan next year, this approach will be reviewed and any critical issues that will require specific attention at the ecoregion scale will be identified.

Result (Activity) 3.2 Promote sustainable forest management across the Forests of the Lower Mekong

In June, WWF Indochina created a new position of Forest Program Coordinator and recruited Martin Geiger, a very experienced forest sector specialist for the post. The need for a specific person to manage forest related activities is a reflection of the critical role that sustainable forest management plays within the conservation strategy for the FLM.

Exploratory missions were conducted to Lao and Cambodia in September and October in order to identify suitable approaches to strengthen sustainable forest management and to integrate activities in the project portfolio of the two WWF Offices. In Lao WWF, through funding from the WB/WWF Alliance and FINNIDA, will contribute to the first full FSC certification assessment in Indochina. In Cambodia, WWF will continue to contribute to the critical review of the forest concession management plans in the next months through funding provided by the WB/WWF Alliance and in close cooperation with the NGO Forum and Global Witness.

Vietnam

Significant progress towards attaining sustainable forest management practices, as a step towards certification, has been made in Vietnam. Building on the set of Criteria and Indicators (C&I) drafted and tested in the last reporting period, WWF has been working to strengthen the capacity of the National Working Group to address issues related to sustainable forest management—and specifically certification—at the provincial and site levels.

- A workshop was held in Binh Dinh province, attended by representatives of wood processing companies and State Forest Enterprises (SFEs), to discuss issues related to Chain of Custody and the procedures required to attain FSC certification.
- A meeting was held in Dak Lak Province to discuss the implications of Decision 187, which is related to the renovation of SFE throughout Vietnam. The meeting established provincial subprograms, under the activities for the National Working Group, for the Central Highlands (Lam Dong, Dak Lak, Gia Lai, and Kon Tum provinces). These critical provinces contain some of the most extensive forests still comprising commercially viable levels of timber and are presently under threat from unsustainable exploitation and conversion to coffee plantations.
- A small initial grant from the Ford Foundation has been leveraged to support the capacity of the National Working Group to gain membership in the Forest Stewardship Council (FSC). The Ford Foundation has promised an additional \$200,000 plus, to be released once the working group has secured FSC membership. These funds will be used over three years to support pilot initiatives in two provinces, continued standard development, pilot models in upland areas, and capacity building and development of SFM modules for the Forestry Training at Xuan Mai Forestry College.
- A three-year project, "Promotion of Sustainable Forest Management in Vietnam", has been developed and submitted to the Swiss Government for funding. The project is aimed at promoting producer networks, further developing the Central Highlands provincial subprograms on sustainable forest management, combating illegal logging, developing two new pilot initiatives on forest certification, and providing technical assistance to the National Working Group.
- The "Sustainable Forest Management of the Kon Plong Forest Complex" project completed preliminary biodiversity surveys in the Forest Complex and published its final report in May. The project is one of the first joint ventures in Vietnam between a private company (SCANCOM), and international NGO (WWF) and the Vietnam Government SFEs. As a direct outcome of this innovative partnership, agreement has been reached to manage 40% of the forest for biodiversity conservation, while ecologically sustainable timber harvest will occur throughout the rest. In addition, funding has been secured from the Royal Netherlands Government to prepare the necessary biodiversity information on the Forest Complex to fulfill the ecological requirements of the FSC standards for forest management and certification.

Cambodia

As reported in the previous semi-annual progress report, direct progress towards developing forest certification and improved forest concession management in Cambodia has been kept on hold due to the September deadline for logging companies to complete concession management plans.

This process has been put back even further because in September it became known that none of the 17 logging concessions would produce their management plans on time. The Department

of Forestry and Wildlife (DFW) announced that the deadline for submission of management plans would be pushed back from three to six months and perhaps longer, with different deadlines for different concessions. Furthermore, despite the lack of inventory, community, biodiversity and other data that would be contained in a management plan, the Government was moving forward to renegotiate concession contracts with timber companies. DFW announced that the extension of the management plan deadline would not have any negative effects on the forestry reform process, and stated that the delays were better for the reform process in that better management plans would be prepared.

Donors and conservation NGOs disagreed with such an optimistic outlook. The primary donors were quoted in a Phnom Penh newspaper as stating that the forestry reform process was not being implemented very well.

In September, WWF, the WWF/World Bank Alliance, and other NGOs and donors met to discuss how to respond. Although donors are still trying to apply more pressure to ensure the forestry reform process is continued more rigorously, they are unable/unwilling to apply much pressure. Forestry reform has dropped down on their list of changes the government must make in order to continue to receive continued assistance because of other issues that the donors consider more critical. Forestry reform is no longer within the highest priority category of conditions imposed by major donors.

Although some behind-the-scenes negotiating is still taking place, at present donors, WWF and other NGOs are focusing on participating in the reviews of the management plans and advocating for a complete logging activities (felling, transporting, milling, etc.) moratorium in 2002 until satisfactory management plans are approved. WWF is also planning to discuss this issue in greater detail with World Bank staff at a Certification Meeting in Bangkok in December.

Progress was made in June when a revised and much improved Forestry Law was submitted to the Council of Ministers and approved. The law is now awaiting approval from the entire Legislature. WWF was a key player in the revisions of the draft law up until its presentation to the Council of Ministers. WWF was also one of the co-organizers of a community forestry workshop in May, and has continued to participate in the development of a Community Forestry Sub-Decree.

Result (Activity) 3.3 Promote the control of illegal wildlife trade in Laos

This project has witnessed significant progress during the last six months and despite the delays in achieving the initial government authorization for the project, it is now well on-track for successful completion within the next six months.

Important results during this reporting period include:

Compilation of critical briefing and training material completed

A course book containing information on Wildlife Trade in Laos, CITES including guidance for Laos on how to accede to the Convention was compiled by TRAFFIC and distributed to senior officials attending the National Workshop. The material was translated into Lao and also included details of the Forestry Law in Lao PDR, 1996 and background on wildlife trade legislation in Cambodia and the procedures for passing the law in Cambodia.

National Workshop held

The National Workshop was held on July 25-26. The underlying objective of the workshop was to inform senior Laos government officials of the purpose of CITES as well as the implications and obligations of membership.

The workshop included 50 participants from relevant Government Ministries and all of the Provincial Forestry Offices. In attendance were representatives from the Ministry of Defense, the Ministry of the Environment, The Ministry of Foreign Affairs, The Ministry of the Interior, the Ministry of Justice, the People's Supreme Court, the Ministry of Industry and Handicraft, the Ministry of Agriculture and Forestry as well as the National University of Laos and IUCN.

An important aspect of the workshop was the attendance and participation of additional CITES representatives from Vietnam, Cambodia and China. These representatives presented their countries' perspective on the accession to CITES and wildlife trade.² TRAFFIC officers from Vietnam, Cambodia, and Hong Kong also gave an overview of the CITES convention, wildlife trade in the region, and guidance on the accession of Lao PDR to CITES. Forestry officials from the Department of Forestry gave an overview of Forestry Law in Laos and answered questions concerning the role of provincial forestry officials.

The workshop was very well received as it successfully facilitated dialogue between the Ministries and demonstrated the level of support and guidance available if Laos were to undertake ascension to the CITES convention. Since the workshop, senior government officials in Laos have met several times to discuss the accession to CITES. This group of officials is confident that the necessary requirements will be met to ensure that Laos can accede by the next meeting of the COP in November 2002.

Preparation of the Training of Trainers (ToT) underway

Preparations for the Training of Trainers (ToT) workshop on wildlife enforcement began in August and September. Identification manuals for commonly traded endangered species in Laos, an enforcement manual for forestry laws and many specific training materials were compiled and TRAFFIC and the Department of Forestry jointly drafted an agenda. The ToT workshop will be a two-week training session including topics such as wildlife trade in Laos and the region, wildlife trade enforcement, forestry and NBCA law in Lao PDR, and training techniques on effective communication.

Next steps

Activities to be conducted within the final period of the project include:

- ❖ The Training of Trainers Workshop - October
- ❖ Training of Provincial Staff in wildlife trade law enforcement- December to January
- ❖ Training at border sites - January - February

Result (Activity) 3.4 Promote appropriate land tenure policies, especially related to indigenous people in Northeastern Cambodia

As field activities in Northeastern Cambodia are restricted entirely to the dry season (October - April), activities during this reporting period were therefore restricted to non-field based activities such as reporting, planning, project development and training. Activities have been largely concentrated during this reporting period on stakeholder consultation, dissemination of survey and study results and development of new follow-on initiatives.

² Additional costs for country representation was covered by TRAFFIC

Stakeholder consultation, presentation and dissemination of project results and lessons learnt

The results of the community resource use assessments in the four focal communities in Mondulhiri Province were presented both to Provincial-level Government staff and two of the focal communities (it was too difficult to reach the two other communities due to the start of the rainy season). Stakeholders and partners had the opportunity to comment on the results and discuss the importance of considering the resource needs of communities in future provincial and local conservation planning. The assessments indicated that individual communities actually differed from each other in their resource utilization while project design has been based on the assumption that community needs are homogenous throughout the landscape. Stakeholders emphasized, therefore, the need for greater consultation with local communities in future planning and implementation in order to ensure that future actions are specifically designed and tailored for the individual needs of separate communities. The results from the assessment including the comments and amendments from the consultations were compiled and have since been published in Khmer and English.

The results from the community resource use assessments were also presented at the Dry Forests Conservation Strategy Workshop in June, resulting in greater recognition by provincial and national officials of the rights and resource use of local communities. This will help ensure that community issues and concerns are reflected in the development of conservation activities for the Dry Forests.

Capacity building

As previously reported, the first half of the year was focused on building Cambodian capacity at the national and provincial levels to conduct community resource use assessments. During the second part of the year, the wet season, activities concentrated on building public consultation and reporting skills within national and provincial agencies to improve their ability to analyze and communicate project and assessment results. A professional editor worked with each member of the community resource mapping team during the preparation of the reports on their assessments to ensure that each team member was able to prepare high quality reports in the future.

New initiatives

This activity was supported by two other additional activities partly initiated by the WWF staff during the last six months.

- ❖ A national review of community based natural resource management (CBMRM) projects throughout Cambodia. The goal of the project is to develop better laws and policies regarding CBNRM. The review will analyze several cases of CBNRM projects in a variety of ecosystems ranging from coastal areas to the Dry Forests and create a network of practitioners able to learn from the positive and negative experiences of these different projects. This review is partly funded by WWF in cooperation with International Development Research Center (IDRC) and Oxfam US.
- ❖ Resource Rights and Participatory Planning Project. The goal of this project is to strengthen governance of natural resources in the Eastern Plains through securing land and resource tenure rights for upland minority communities and improving information flow between communities and the Government. The objectives of this project are to:
 - Increase information on target communities resource use, management practices, needs, and values to livelihoods;

- Raise awareness about rights and responsibilities under national laws;
- Develop land-use planning strategies that enhance livelihoods, increase land/resource tenure, and improve conservation; and,
- Build capacities in resource mapping, needs assessments, economic valuation, land/resource use rights, and land-use planning.

This project, with initial funding from the Asia Foundation, began in the last few months by training the local implementation team in the skills necessary to undertake the project. The project team is comprised of staff members of the Ministries of Environment and Forestry and Fisheries involved with the community resource assessments conducted last year. The project grew out of discussions in the Dry Forests Workshop in July. Additional funding for this project will be provided through the FLM program next year and this project will form a critical component of the activities to be conducted under the implementation plan next year.

Objective IV: Lay the foundation for lasting conservation

Result (Activity) 4.1 Develop an effective information system for the Forests of the Lower Mekong

Considerable progress has been made towards the development of an Ecoregion Information System to support the program.

- ❖ In July, Truong Viet Hung was recruited as the Ecoregion Information System Officer. Hung is based within the Ecoregion core management team and will work closely with the WWF Indochina Communications and GIS Units.
- ❖ Throughout August, a team led by Truong Viet Hung prepared a detailed design and implementation plan for the system including a set of TOR for a team of computer programmers to build the software for the system. In September a team of programmers were hired to create the system in cooperation with the WWF staff and have since begun work on the design. The system is due to be finalised within the next quarter.
- ❖ One important component of the system, a Photo-library, is already designed and installed within the system. All photographs compiled during the previous year have been scanned and catalogued. The photo-library now provides a useful service supporting communications work for the FLM ecoregion program directly and for others requiring photographs for communication materials. Although not officially published yet the photo-library has been used by a number of outside organisations such as the World Bank, TRAFFIC and the Vietnamese Ministry of Agriculture and Rural Development.
- ❖ The information system also includes a fully searchable reference system of the various libraries in the WWF office. This service will link the library system to other components on the system so that relevant texts on specific subjects will be easily listed and stored in readable format on the system.
- ❖ All data collected during last year's studies are being compiled on the system. The system has already been used regularly by study teams requiring data particularly spatial data.

Objective V: Marine Conservation Initiative for Con Dao National Park

Result (Activity) 5.1:

The WWF marine and coastal conservation program objective to support the development of an effective Marine Protected Area (MPA) system in Vietnam has witnessed some critical progress during the last six months. The program is presently focused on: (1) improving management capacity in Con Dao National Park through training and baseline biological monitoring surveys; and (2) advocating for an effective MPA system by building awareness of the benefits of improved marine conservation.

Advocacy

In June 2001, four managerial staff of Con Dao National Park and government leaders from Con Dao District and Ba Ria Vung Tau Province were taken on a study tour to Malaysia, organised with the support from WWF and Department of Fisheries of Malaysia. The aim of the study tour was to increase the delegation's understanding and awareness of new techniques and gain experience in marine conservation, Marine Protected Areas (MPAs) management and sustainable fisheries in Malaysia. The study tour was jointly conducted with another project for national Vietnamese leaders. Their delegation included the Vice-Minister of the Ministry of Fisheries (the Ministry responsible for Marine Protected Areas (MPAs) and marine resources in Viet Nam) and leaders of several priority coastal provinces where other directly related WWF projects are in progress or development.

The delegation visited SEAFDEC³ and two Malaysian MPAs (Pulau Paya and Pulau Redang). These two MPA's were chosen due to their contrasting situations - while Pulau Paya has no threat from the local community, Pulau Redang is strongly affected by resource use activities of the local community, particularly through fishing pressure. Individual delegation members expressed that the study tour has deeply influenced the way in which they perceived the future management of the Vietnam MPA system. The delegation was particularly interested in the increased recognition of the economic benefits of effective marine conservation they witnessed in the local communities.

Capacity building

Five members of the technical staff from Con Dao National Park who had attended a training course on identification of coral, fish and invertebrate species in April 2001 were provided with follow up practical training in September conducted in Con Dao National Park with guidance by specialists from the Nha Trang Institute of Oceanography. The course was integrated with the annual survey into coral reef status at Con Dao National Park to make it more relevant and applicable to the staff.

Trainees learned how to work on transects, identify genera of corals and calculate macrobenthic communities such as sea urchins, giant clams and other molluscs underwater. Next, the trainees independently conducted surveys along the transect line, and then compared their results with the results of the specialist in the relevant field. Comparisons between the trainees and specialists showed an extremely high level of similarity, indicating that the training had successfully created a proficient biological monitoring team within the Park staff and that the park no longer needs to rely on importing external expertise for this regularly conducted activity.

Biological monitoring

³ South-East Asia Fisheries Development Center

As previously mentioned the annual coral reef status survey was conducted in Con Dao National Park during September 2001. Seven monitored sites (Bai Ong Cuong, Mui Chim Chim, Bong Lan, Ben Dam, Hon Tai, Bai Da Trang, Bai Dat Doc), were surveyed by scientists from Nha Trang Institute of Oceanography. Another site (Hon Cau) was impossible to survey during that time because of the rough weather. The newly trained staff of Con Dao National Park will survey this site.

The survey methodology followed the internationally recognised 'Reef Check' system. This system uses selected components of the reef ecosystem to serve as indicators of coral reef status. The species surveyed are those that are most heavily and/or rapidly affected by negative impacts such as illegal fishing, overfishing and pollution (e.g. Sweetlips, large Groupers, Lobsters, Oysters and Bumphead Parrotfish), plus species that act as good indicators of general reef/coral health (e.g. Butterflyfish). Hard coral cover/growth on the reefs was also measured as a direct measure of reef status and regeneration in that area.

Results indicated that the reefs around Con Dao are slowly recovering from the impacts of both Hurricane Lynda and resource use activities of the local population. The coral itself has shown a trend of slow but steady growth in several areas, plus species that are amongst the quickest to respond to these changes (such as Butterflyfish) are also beginning to prosper. However, many of the larger species, which are the first to be removed by negative impacts and amongst the slowest to recover, are still absent. This indicates that while the reef status appears to have been stabilised to some degree due to the conservation actions of the park staff, significant effort is still required in order to restore many of the key elements of a healthy coral reef ecosystem.

Table of Progress

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
1.1	Biological assessment and Biodiversity Vision published. Conclusions of Biodiversity Vision better linked to national conservation strategies.	Completed
1.2	<ul style="list-style-type: none"> • Communication documents promoting the Ecoregion Conservation Program published and strategic planning within WWF - Indochina completed. • Steering committees for the two Global 200 ecoregions (Greater Annamites and Central Indochina Dry Forests) established. • Technical Support Group for the Forests of the Lower Mekong Ecoregion complex established. 	Completed On Track
2.1	<ul style="list-style-type: none"> • Key sites for forest conservation and restoration identified, as a basis for developing a network of conservation areas in the Central Annamites. GIS maps produced as a decision making tool for land-use planning. • Improved coordination and collective action on the part of conservation and natural resource organizations and agencies working in the Central Annamites. 	Completed Completed

<u>Benchmark Number</u>	<u>Benchmark/Output</u>	<u>Status*</u>
Cont. 2.1	<ul style="list-style-type: none"> Program actions in Central Annamites related to government policies/programs (particularly Five Million Hectares) identified and initiated. 	On-track
2.2	<ul style="list-style-type: none"> Assessments of PAs, vegetation, and resource use in Eastern Plains completed. Eastern Plains Conservation Strategy workshop held. 	Completed
3.1	Major interventions to address biodiversity loss across larger scales identified and a wide range of stakeholders mobilized to undertake these interventions.	Postponed
3.2.1	SFM in Vietnam: * National SFM standards finalized, following review and endorsement by Forest Stewardship Council. * Areas of high biodiversity in Kon Plong production forests identified, suitable areas for introduction of certified sustainable management (FSC protocol) identified.	Completed
3.2.2	SFM in Cambodia: * Review and commentary provided on environmental and social considerations of forestry sector legislation in Cambodia. * Composition and protocols for the establishment of a National Working Group on Sustainable Forest Management established. * A target concessionaire selected and provisional agreements to initiate a pilot certification process in one concession area.	On track Delayed Cancelled
3.3	Lao Wildlife Trade: * Awareness material and CITES documentation produced in the Lao language to support Lao Government ascension to CITES. * Training teams assembled, curriculum produced and trainings conducted National level training capacity improved and law enforcement capacities at border crossings improved.	Completed On track
3.4	Community resource use surveyed and mapped in priority areas of Mondulkiri Province.	Completed
4.1	Ecoregional information system established.	On track
5.1	Con Dao, Vietnam: * A report and set of baseline data explaining the present status of the coral reef ecosystem completed. * A team of park staff and their families trained as trainers in sustainable management of marine natural resources.	Completed On track

*Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Next steps

The program has now established a clear framework based on a three tiered approach for conducting ecoregion conservation. The next steps have been designed to consolidate the implementation of the program at each scale.

Ecoregion scale:

- ❖ As part of developing a five-year ecoregion scale communication strategy, major communication initiatives will be launched for each of the two focal ecoregions. For the Greater Annamites, the initiative will be focused at concreting the concept of the Greater Annamites in the minds of the Vietnamese and Lao people and within the global conservation network as a truly unique and endangered space. For the Dry Forests, the initiative will be focused on advocating the potential to restore the biodiversity of the Dry Forests as one great gamelands of the world and a truly important economic asset to the Cambodian national economy.
- ❖ Consolidation of the programs by establishing a five-year action plan and a complementary monitoring and evaluation plan to measure progress towards targets over time.
- ❖ Activities will be focused on continuing to advocate for improved policy at the national level on sustainable forestry; community based natural resource management and wildlife law.

Landscape scale:

- ❖ The regions first and most comprehensive conservation strategy for a large land landscape will be developed and endorsed by the government of Laos and Vietnam for the Central Annamites
- ❖ The implementation of critical new approach to integrating conservation strategies with development strategies at the landscape level based on ecoregional targets will be established
- ❖ Landscape scale assessments will be prepared to establish conservation needs in the Eastern Plains will be completed

Site scale:

- ❖ Two large GEF supported projects implemented in each of the focal priority landscapes based on establishing management systems for key protected areas in the Central Annamites and the Eastern Plains
- ❖ Key areas of individual forest areas will be studied and plans made for community based participation in forest management will be established adjacent to key protected areas in Quang Nam (Vietnam) and Mondulkiri (Cambodia) provinces.
- ❖ Immediate enforcement activities will be established in Song Thanh Nature Reserve in the Central Annamites and Phnom Phrich Wildlife Sanctuary in the Eastern Plains.

Success Stories

The program has witnessed a considerable growth in the strength and impact of the ecoregion activities. Perhaps the most successful aspect of the work in the last six months has been the growth in the collaboration and cooperation of partners and stakeholders in the program. The network of consultation and development of complimentary activities have greatly expanded.

This growth is exemplified through two of the results achieved in the last six months:

Biodiversity vision for the FLM published

After one of the most comprehensive and extensive collaborations on a scientific biological prioritization activity, the Biodiversity Vision for the FLM was published in September. This work has spawned a considerable barrage of activity in the FLM focused on the priorities identified in the document. A clear declaration of intent to conserve the Greater Annamites have been made by leading government officials in Vietnam. The report has also established the foundation for the Biodiversity Action plans of Laos and Cambodia.

Dramatic increase in the investment towards improved natural resource management and biodiversity conservation in the Dry Forests. One year ago, the total commitment to the conservation of the dry forests amounted to more than at small number of limited biological surveys. Since the results of the biological assessment, the biodiversity vision development workshop held in Phnom Penh and the selection of the Dry Forests as a focal ecoregion by WWF, direct conservation spending in the Dry Forests has increased from almost zero running now into several millions of dollars of proposed projects. All major conservation organizations working in Cambodia now have a major commitment to conserve the biodiversity of the Dry Forests. These efforts and commitment were coordinated and expressed in the Dry Forests conservation workshop, facilitated by WWF in June this year.

Challenges and Lessons Learnt

The greatest challenge to achieving ecoregion scale conservation in Vietnam, Laos and Cambodia is the limited capacity in all fields and at all levels for the planning and implementation of integrated conservation. While ecoregion conservation is designed to achieve greater impact by tackling fundamental threats at their root, successful conservation is best achieved through targeted actions at the appropriate scale. It is therefore critical to the ecoregion program to work at the policy and ecoregion level while building the capacity to ensure the direct impact at the site level. Designing an ecoregion program requires finding the balance between acts at the ecoregion scale and ensuring that their the resources and capacity at the landscape and site level are built in to the full program.

A particular challenge to ecoregion conservation in the FLM is ensuring that individuals and communities affected by policy and planning decisions are able to participate in the decision-making processes.

The FLM ecoregion program has reacted to this challenge by developing an approach that works at three tiers:

- ❖ Ecoregional level: regional and national policies
- ❖ Landscape level: provincial and district integration of development plans
- ❖ Site level: community and protected area actions

This approach has been developed in response to this need in the FLM and will be consolidated in the activities planned for next year. It is hoped that this approach will be one of the leading examples in the world of how to approach ecoregion conservation to ensure ecoregion scale impacts by linking actions at all scales.

Sulu Sulawesi Marine Ecoregion

Project Title: Marine Conservation in the Eastern Indonesia and Sulu Sulawesi Seas

Description of site

The Sulu Sulawesi and Eastern Indonesian Seas harbor the most biologically diverse assemblage of marine life known anywhere on Earth. The ecoregion hosts over 80 coral genera and more than 450 species of coral. This rich resource base also provides a livelihood for over 50 million people and is a major economic engine of the regional economy. Tragically, this flourishing of life is under siege from human population growth, destructive fishing practices, poorly planned development, over-consumption, pollution, and insufficient conservation resources and capacity. The recent economic and social strife in Indonesia has exacerbated regional marine resource degradation as economic urgencies force people into unsustainable exploitation. However, with a major portion of its economy based on marine products, long-term sustainability of these resources is a key to the economic recovery of Indonesia. In the face of urgent conservation and economic sustainability priorities, existing management efforts are not sufficient to protect priority marine resources across this vast area. As a result, WWF is multiplying its collaborative conservation action in the region with a focus on key sites and strengthening economic incentives for conservation. The long-term conservation imperative is to create both models and mechanisms to enhance the spread of conservation management across key priority areas such that the ecological and economic integrity of these globally outstanding marine ecoregions is maintained in perpetuity.

Strategic Goals & Objectives

The ultimate goal of WWF's marine conservation program in the Sulu-Sulawesi and Eastern Indonesian Seas is to enhance the long-term ecological and economic sustainability of the natural resources and biological diversity of these high priority marine ecoregions. This is being accomplished by working with local stakeholders to conserve a representative set of important biotas, habitats, ecosystem processes, and natural resources that characterize the outstanding biological nature of these marine ecoregions. This requires significant scaling up from historical levels of conservation activity. Using the Ecoregion Conservation approach, WWF strives to create the framework for conservation of large ecosystems. It does so by working with experts to prioritize which areas and natural resources are most critical to the overall biological character of an ecoregion and then developing strategic action plans to pursue the conservation of these high priority places and resources. The development and implementation of such a plan requires the formation of strategic networks of partnerships, and greatly increased action by global bodies, regional bodies, governments, industry, the private sector, NGOs, local communities, and individuals. As a result, partnership building is a key feature of Ecoregion Conservation.

In a biological prioritization (Biodiversity Vision) workshop facilitated by WWF earlier this year, a group of over 80 regional scientists and conservation managers articulated a biodiversity vision statement for the SSME: According to the scientists, in the long-term they hope that the SSME will be:

“A marine ecoregion that remains a globally unique center of biodiversity, with vibrant ecological integrity, including all species, assemblages, communities, habitats, and ecological processes. A highly productive ecoregion that sustainably and equitably provides for the socio-economic and cultural needs of the human communities dependent on it. An ecoregion where biodiversity and productivity are sustained through the generations by participatory and collaboration management across all political and cultural boundaries”

WWF fully supports this vision and is devoted to doing all it can to work with partners to achieve it. A similar vision will be developed for the Eastern Indonesian Seas.

To help achieve this vision, WWF is developing a network of conservation efforts in priority areas across the Sulu-Sulawesi and Eastern Indonesian Seas. Bunaken and Bali Barat Parks are key anchor sites for this network of conservation areas. WWF is using conservation programs at sites such as Bali Barat and Bunaken as a launching pad for the expansion of conservation effort both across a network of sites in the marine ecoregions and in areas adjacent to these high priority sites. By establishing a strong model for multi-stakeholder conservation at Bunaken and Bali Barat National Parks, WWF is helping to demonstrate which approaches can be successful, thus setting the foundation for expansion to adjacent and other priority areas of the SSME and Eastern Indonesian Seas. WWF is spearheading this expansion while working with numerous partners to help support their efforts to expand conservation. Other priority areas where WWF is working are found throughout the Philippines and Malaysia, such as Balayan Bay, Eastern Sabah, Northern Palawan, the Cagayan Ridge, and others. In addition, WWF is working with TNC and others toward expansion of conservation efforts into the Sangihe Talau Islands in Northern Sulawesi and is setting up programs in Bali to generate funding to help support conservation both throughout Bali and Eastern Indonesia.

Economic incentives for long-term conservation are a critical element of the Ecoregion Conservation approach and are being pursued both at individual sites and across entire sectors. WWF's support for Marine Aquarium Council certification is a key to setting up long-term economic incentives for sustainable management. The approach promoted by the MAC has great potential to transform an entire resource sector to sustainability. This approach can expand into areas that are not formally protected and have a significant benefit to natural resources management. Other similar approaches to economic incentives that support sustainability in resource sectors in the matrix between protected areas are a critical component of the Ecoregion Conservation approach (e.g. such as support for community-based food fish sustainability and aquaculture.)

Under this USAID funded project, WWF's Ecoregion Conservation approach is supported by two mutually reinforcing objectives:

Project Objectives:

- I. Enhancing conservation action at critical marine sites in the Sulu-Sulawesi Seas and Eastern Indonesian Seas
- II. Using market forces to support coral reef conservation throughout the Eastern Indonesian and Sulu-Sulawesi Seas

Collaborators/Partners

- * Bunaken National Park Authority – North Sulawesi
- * Management Board of Bunaken National Park
- * NRM II – USAID Project
- * North Sulawesi Watersports Association (NSWA)
- * Team Raja Laut- Bunaken
- * Government of North Sulawesi
- * Bali Barat National Park Authority – Bali
- * Dive operators / sports association in Bali (Gahawisri)
- * Tourism association in Bali
- * Bali Government (Environmental Bureau and Maritime & Fisheries Agency)
- * Bali Barat-based Resorts Hotels
- * Police and Navy Forces in Bali
- * Department of Maritime and Fisheries
- * Marine Aquarium Council

Summary

Objective I: Enhancing conservation action at critical marine sites.

In response to persistent threats to the long-term ecological integrity of critical marine conservation sites, WWF initiated the Partners for Park Initiative (later changed to Friends of the Reef). This program works with local constituencies to help them manage and conserve the outstanding resources of two pilot sites, Bunaken National Park in North Sulawesi and Bali Barat National Park in Bali. The funds provided by USAID have played a critical role in enabling WWF to partner with several stakeholders in the project sites and to secure co-financing from other donors including the Packard Foundation, WWF/Netherlands and others. Some of the most notable accomplishments of the program within this reporting period include:

- * About 26 people (dive operators, government officials, university students and local NGOs) in North Sulawesi received training on coral reef monitoring methods (Reef Check) so that they can conduct simple assessments of the coral reefs and associated reef fish within the park. This training is improving the monitoring and reef science capacity of local managers, so they can play more active roles in management decision-making for the Bunaken Park over the long term.
- * A Multi Stakeholder- Conservation Strategy Workshop was held in Bunaken to develop a common strategy for coral reef management in Bunaken National Park and build partnerships in preparation for scaling up conservation activities to the broader North Sulawesi region.
- * With the support of the EAP-EI grant, the Bunaken Board and the local police have expanded their patrols against destructive fishing practices to larger areas of Bunaken Park.

- * The lessons learned in Bunaken Park regarding the establishment of financing mechanism have been transferred to Bali Barat National Park, not only by WWF staff but also by the staff of both parks. This has been accomplished through the establishment of an Effective Learning Network between the parks that allows for knowledge exchanges and capacity enhancements between the two pilot sites.
- * Strong communication outreach to the media and prominent public figures has resulted in national media attention to the Friends of the Reef campaign.

Objective II: Using market forces to support coral reef conservation:

The marine aquarium industry provides an excellent opportunity to use market forces to enhance coral reef conservation. Transforming the marine ornamentals trade into market-driven and industry-supported sustainability has important challenges in Indonesia - but also has great potential to contribute to the country's strategic needs for a stable and sustainable economy and environment. Indonesia has limited capacity to develop sustainable, environmentally sound income opportunities, especially in rural areas, or to manage and conserve critically important coral reef resources. As a result, Indonesia (including both the Sulu-Sulawesi and Eastern Indonesian Seas) is a priority country for the Marine Aquarium Council Program. Some of the most notable accomplishments of the MAC within the reporting period include:

- ◆ The Marine Aquarium Council (MAC) finalized Core Standards and Best Practice guidance and other supporting documents, with participation from stakeholders in Indonesia.
- ◆ MAC is continuing to undertake consultations and expand its network of support among government, industry, and conservation organizations in Indonesia -- resulting in the recent government decision not to support a coral trade moratorium.
- ◆ MAC is gaining industry support to implement capacity building activities for certification implementation.
- ◆ MAC is solidifying partnership project opportunities with local marine conservation NGOs for training in ecosystem management and collection and fishing practices to ensure a supply of certifiable marine ornamentals in Indonesia.

Results by Objective and Activity

Objective I: Enhancing conservation action at critical marine sites:

Bunaken and Bali Barat Parks

Currently, most if not all-marine conservation/protected areas in Indonesia are insufficiently managed to ensure the long-term persistence of their critical marine resources and their ecological integrity. There are too few trained individuals able to apply marine science and management skills, too little awareness of the importance of the parks and other reef areas both economically and biologically, too little support for conservation action over exploitative uses, and too few financial and human resources to handle management needs. Even though management plans are available in both Bunaken and Bali Barat National Parks, the capacity to implement these plans is still insufficient.

Results for Activity 1.1: The Partners for Parks Initiative (Friends of the Reef), Indonesia

In order to restore healthy marine systems and ensure long-term protection, WWF is focusing on partnerships, empowerment, shared responsibility and magnification. Strengthening stakeholder partnerships is a key aspect of democratization in Indonesia's rapidly changing climate of political decentralization. The initial WWF sites for this initiative are Bali Barat and Bunaken National Parks. The Friends of the Reef program is mainly aimed at establishing a model of strong, locally-managed marine conservation areas that can then be magnified to other priority sites. In Bunaken, WWF is collaborating with the ongoing USAID NRM II project, which has developed and is implementing a management plan and has started private sector partnerships to support the park. The NRM II Project is pleased to have WWF involvement, particularly since WWF is committed to spending several years strengthening management and partnerships in the park. WWF is working closely with the park management in all aspects of the Friends of the Reef Program.

Results of Activity 1.1.1: Monitoring & Enforcement

In Bunaken, WWF continues to facilitate community involvement and strengthen existing patrolling efforts by members of the North Sulawesi Water Sports Association (NSWA) and the Bunaken Management Board. WWF's work on monitoring and enforcement is pursued in partnership with Park Authorities; the Bunaken Board; NRM II; Coelacanth researcher, NRM consultant, and advisor to WWF, Dr. Mark Erdmann; dive operators; local NGOs; and communities.

Accomplishments during the reporting period are:

- * Documentation of coral reef conservation management for Bunaken National Park through a multi-stakeholder workshop in Manado in collaboration with NRM II project and the Bunaken Board. The workshop report includes **lessons learned on co-management efforts** for Bunaken Park and a **mapping of stakeholders' interest in conservation**. This participatory process has enhanced stakeholders' common vision and commitment to the program in Bunaken.
- * Patrol activity to eliminate destructive fishing methods in Bunaken and North Sulawesi has been expanded to cover the southern part of Bunaken. No destructive fishers have been observed or caught during these new patrols. While the exact reasons are still unclear, this could indicate a deterrent effect stemming from the apprehension of illegal fishers in other areas of Bunaken where the patrols were established earlier.
- * Regular meetings have been conducted with the Bunaken Advisory Board (Dewan Pengelolaan Taman Nasional Bunaken) to monitor the implementation of the patrol grant supported by WWF (co-financed by EAP-EI) and the MOU between WWF and the Dewan.
- * Lessons learned regarding the patrol system (including technical aspects, the legal foundation and management approaches) in Bunaken National Park have been used to design a patrol system for Bali Barat National Park. At the same time, the patrol system in Bali is being adapted to local values and traditions. The park is working with community members surrounding the park to establish a Balinese type guarding/patrolling system called a "*Pecalang Laut*" (Marine Stewardship Group), drawing on strong local cultural values. Next steps are legal establishment and training for this group.

- * Through the Friends of the Reef campaign, a five-year Conservation Development Strategic Plan for Bali Barat National Park was designed. This plan adopts the major elements of the friends of the reefs approach, which include a participatory patrol system for destructive fishing practices, a Code of Conduct for reef management, a Sustainable Financing Scheme, and greater focus on coral reef ecosystems.
- * As a result of strong advocacy with the Bali Barat National Park Authority, the park has now agreed to conduct patrol activities for the entire marine area of the park supported by funds and in-kind contributions from Friends of the Reef members. Previously, the park had no such patrol scheme for marine areas.

Results of Activity 1.1.2: Encourage environmentally sound science-based management

In the past, park heads and regional planners have tended to base management decisions on resource-use patterns and development opportunities without adequate consideration of their ecological or environmental impacts. As a result, management decisions may not operate in the long-term best interests of the biodiversity and ecosystems of the park. WWF is committed to helping park managers gather and use key ecological and environmental information to improve the management and long term conservation outcomes at the park.

Accomplishments during the reporting period are:

- * About 26 people in North Sulawesi -- 4 students, 12 dive guides and members of the North Sulawesi Watersport Association (NSWA), 5 government officials and 5 local NGO representatives -- were trained in reef check methods so that they can conduct simple assessments of the coral reefs and associated reef fish within the park. These trainings have improved the monitoring and reef science capacity of the staff and other stakeholders so they can be more proactive in management decision making for the park. This activity is a critical investment in long-term management capacity for Bunaken.
- * Habitat and fish assessments related to the fish spawning aggregation sites were started in Bunaken, and the report has been completed. The report also documents the local knowledge of local fishers and dive operators regarding fish spawning aggregations. Training on spawning aggregation sites will be conducted in November 2001.
- * In Bali Barat, a detailed study on the suitability of the area for coral reef rehabilitation and for a coral farming project has been completed and discussed with a wide range of local stakeholders, including local dive operators, resorts, park officials, fishermen and community leaders. The plan is intended to serve as the basis for a participatory reef rehabilitation project in the Bali Barat area.
- * As part of the WWF Fisheries Program, results of the fisheries assessment in Bali Barat National Park were discussed at a multi-stakeholder workshop (including government, dive operators, business people and local community representatives) in west Bali. The recommendations for fisheries management include new approaches that were part of the fisheries training WWF has provided to officials, local NGOs, and students. In particular, training on fish spawning aggregation sites has enhanced park staff knowledge of the most effective park zonation system for fisheries management.

Activity 3: Partnerships and flagships

WWF works to facilitate the conservation action of other stakeholders. As a result, strategic and effective partnerships are a hallmark of WWF's conservation philosophy. Over the years, WWF has found that identifying and highlighting flagship species that are of interest due to their charismatic nature or economic importance has helped to increase interest and support for conservation activities and therefore enhance partnerships with key stakeholders. As part of the long term strategy to enhance conservation at key reef areas, WWF is devoting considerable effort to forming strategic partnerships and enhancing support by promoting conservation of specific flagship species and the broader ecosystem that sustains them.

Accomplishments during this reporting period are:

- * About 17 institutions (dive operators, resorts, fisheries groups, government bodies, tourism-related business) have become early adopters of the Friends of the Reef program in Bali Barat National Park (co-funded by WWF-Netherlands). These Friends of the Reef members have been meeting regularly to discuss critical issues and management challenges faced by the Park, including the conservation finance scheme, the patrol system and how to overcome major threats to the park.
- * Consultations have been initiated on opportunities to expand the existing sustainable financing mechanism (based on dive fees) in Bunaken National Park across the entire province of North Sulawesi.
- * A similar financing mechanism proposed to cover all of Bali has been receiving strong support from local stakeholders (dive operators, the park authority and government). Recently, a few key members of the Friends of the Reef for Bali Barat donated a small amount of money to initiate a patrol system for the park, and would be willing to do more if the park can contribute to the ecological and economic sustainability of their businesses. However, considering the high number of divers received by the Bali reef system, a conservation fee gained from divers will still be required. A willingness-to-pay survey conducted recently has left some gaps in the information required to design such a conservation fee system. A new partner -- the Dept of Tourism in Bali -- is now working with WWF to complete the willingness to pay survey data so that the results can be integrated into a province-wide conservation fee system.
- * Outreach activities by WWF and other organizations have enhanced private sector (dive and tourism operators) interest and also the interest of government officials in park management. Their active participation in the volunteer Reef Check program is an indicator of their greater interest and enthusiasm in partnerships to support marine resource conservation within these parks.
- * WWF's cooperation with Team Raja Laut (TRL) in Bunaken (which was formed to promote coelacanth conservation) was strengthened and the capacity of this group of youngsters was improved through training and more conservation related activities. The team conducted the local knowledge inventory on fish spawning aggregation sites in Bunaken and Sangir Talaud.

Activity 4: Communication, Magnification and Capacity Building Strategy

WWF is providing a platform to build capacity and communicate about successful tools to improve marine resource management, especially in the arena of multi-stakeholder marine protected area management. WWF is sharing our successes in multi-stakeholder marine management to elicit interest by other groups. The hope is that these groups will want to replicate and magnify this approach in other areas. WWF is encouraging this replication particularly in the priority areas of the SSME that were identified by recent Biodiversity Vision

Workshop and in areas of the Eastern Indonesian Seas that have been identified by recent assessments. By targeting key actors ranging from national government and industries with a regional impact, to local park managers, communities and operators, the eventual target is widespread magnification of multi-stakeholder management approaches to other priority marine areas of these ecoregions.

A significant WWF effort is focusing on capacity building within the new Indonesian Ministry of Maritime Affairs and relevant provincial planning boards. This is to ensure that an effective network of marine protected areas is seen as a priority, and to expose planners and decision-makers to new approaches for managing marine and coastal resources such as ecoregion conservation in grappling with larger scale issues. WWF has recently presented the Sulu-Sulawesi Seas Biodiversity Vision (developed by over 80 regional marine scientists and managers) to the Indonesian Government. The Government in turn asked WWF to lead the process of developing conservation action strategies for North Sulawesi and East Kalimantan. WWF is pursuing this enthusiastically and has arranged for stakeholder meetings to initiate discussions for the development of these strategies.

Accomplishments during the reporting period are:

- * An extensive communication outreach has been conducted to publicize the results and lessons of the Friends of the Reef program through TV and printed media at local, national and international scales -- including coverage by MTV Asia.
- * A drawing competition on coral reefs for children in Bali was conducted in order to increase awareness of coral reef conservation among the young generation.
- * One of the most famous singers in Indonesia (Nugie) has written a song on Coral Reef Conservation and sung it during the campaign via nationally broadcasted TV channels, also helping to raise awareness of youth across the country regarding coral reef conservation.
- * WWF facilitated media coverage for both the Bali and Manado Reef Check programs. This has included the printing and circulation of Reef Check protocols and reports, made available to the public.
- * A report on the coral conservation management workshop for Bunaken was printed and circulated to stakeholders, including the national Department of Maritime Affairs and Fisheries, Ministry of Environment and the Department of Forestry, as well as to key partners in Manado.
- * As a member of the advisory board of the Provincial Coordinating Committee for Bali-Integrated Coastal Management (ICM), WWF has advocated for the model of strategic partnership in park management (including the sustainable financing scheme) to be adopted for other priority areas. As a result of decentralization in Indonesia and our consistent lobbying, decision-makers are increasingly open to multi-stakeholder partnerships in management. WWF plans to take advantage of this increasing openness in expanding this conservation approach to other areas of Bali and the Eastern Indonesian Seas.
- * Learning from the above involvement in ICM, the WWF staff in Manado have joined the North Sulawesi-ICM Advisory Board and are advocating for extension of the successful partnership program in the Bunaken National Park to other areas of North Sulawesi.

Objective II: Using market forces to support coral reef conservation

MAC has a rapidly growing stakeholder network in Indonesia, including with government agencies, industry, and conservation NGOs. During this reporting period, we continued to expand our program of consultations with this stakeholder network, and began the process of building capacity for certification implementation. Capacity building activities have to occur at all levels:

- (1) Collection area level to achieve compliance with the MAC Core Ecosystem and Fishery Management (EFM) Standard,
- (2) Collectors level to achieve compliance with the MAC Core Collection, Fishing and Holding (CFH) Standard, and
- (3) Exporters level to achieve compliance with the MAC Core Handling, Husbandry, and Transportation (CFH) Standard.

To ensure effective certification implementation activities, it is crucial for MAC to have an in-country presence to facilitate capacity building at all these levels. USAID support has played an important role during the reporting period in helping MAC to hire a full time person for coordinating MAC efforts in Indonesia, to strengthen the country program and to review standards and guidelines for certification.

Results for Activity 2.1.1: Establish MAC Coordinator and Office for Indonesia

Accomplishments during the reporting period are:

- ◆ In March of 2001, MAC recruited Gayatri Lilley as a consultant to coordinate activities in Indonesia and in July of 2001, MAC extended Ms. Lilley's contract through the end of November 2001. Ms. Lilley is a well-qualified marine conservation professional, who is well known to the Indonesian NGOs, government, and industry communities. As the Marine Policy Advisor for WWF Indonesia from 1996 to 1999, she assisted and facilitated the development of a manual to promote sustainable use of corals in trade -- working closely with the Association of Shells and Corals of Indonesia (AKKII), Nature Protection and Conservation (PHPA), Center for Oceanology Research and Development (P3O), Indonesian Institute of Science (LIPI), Department of Trade, TNC and WWF.
- ◆ Ms. Lilley has been very successful in assisting MAC in data collection and network development activities, including compiling policy and legal/regulatory documents relevant to marine ornamental trade, identifying data sources for the trade, developing a profile of the industry, expanding the existing MAC network of individual companies, government agencies and NGOs, and communicating MAC Standards and certification processes.
- ◆ Through continuous consultations with the industry associations and individual companies, Ms. Lilley has gained significant industry support to certification implementation. Just recently, the chairperson of the Indonesia Coral, Shell and Ornamental Fish Association (AKKII) signed a statement encouraging its members to support MAC Certification program, seek certified organisms, and support capacity building activities.
- ◆ Ms. Lilley has also been successful in encouraging industry members to contribute their data to the Global Marine Aquarium Trade Database (GMAD) managed by UNEP-WCMC. Up to this point, all AKKII members have submitted their sales data to GMAD.

- ◆ Unfortunately, Ms. Lilley has decided not to stay on in Indonesia beyond November 2001 as the full time MAC Indonesia Coordinator. MAC is now beginning again the search for a full-time coordination capacity in Indonesia.

Results for Activity 2.1.2: Test standards and certification system for marine ornamentals collection and export

During this period MAC has decided to focus certification system testing efforts in the Philippines by conducting a reef-to-export supply feasibility study. The primary reason for this decision was the fact that there was a wide network of previously trained collectors in the country providing the critical mass needed to ensure adequate supply of certifiable organisms. The lessons learned from the Philippines experience are being widely shared with the stakeholders in Indonesia to inform and "jump start" certification development in Indonesia. MAC is currently facilitating an exchange visit program for representatives from Indonesian industry and conservation NGOs to spend a considerable amount of time in the Philippines to learn from the MAC Philippines developments.

Accomplishments during the reporting period are:

- ◆ MAC and the International Marinelife Alliance (IMA) have collaboratively conducted reef-to-export certification feasibility study in 18 collection areas involving 250 collectors in the Philippines. Following the feasibility study, the certification system testing (test case) was conducted in early November to assess of how the system works along the complete chain of custody, from reef to retail.
- ◆ In Indonesia MAC is finalizing a partnership project agreement with national marine conservation NGOs (the Indonesia Coral Reef Foundation/Terangi, WWF-Wallacea, Yayasan Telapak, and Yayasan Bahtera Nusantara) and AKKII members to conduct exchange visit program to transfer lessons learned from the Philippine feasibility study and certification system testing experience. The participants of the exchange visit program will become the core of MAC Indonesia certification implementation working group that will be involved in developing long term certification capacity building program in Indonesia.

Results of Activity 2.1.3: Build capacity of collectors and industry operators to participate in certification

Because certification is new to this industry, documents that clearly explain the standards, documentation system, etc. must be developed and distributed, e.g. manuals to guide industry participants through self-evaluation procedures, guidelines to explain how to upgrade systems and practices to "certifiable" standards, and training materials for collectors. The Philippine feasibility study produced a series of interpretive manuals for collectors, collection areas managers, and exporters that can be modified to the Indonesian conditions. For Indonesia, MAC documents must be made available in Bahasa Indonesia, and this was begun under the project.

Accomplishments during the reporting period are:

- ◆ MAC Standards translated into Bahasa Indonesia (still in final draft version pending official launch of Core Standards).

- ◆ As a follow up to the exchange visit program, MAC in collaboration with industry members and NGO partners has begun a dialog to design a longer term capacity building partnership program.
- ◆ This program will start with a pilot project in one location in South Sulawesi involving 4 export companies (3 AKKII members and 1 independent) and 4 marine conservation NGOs (the Indonesia Coral Reef Foundation/Terangi, WWF-Wallacea, Yayasan Telapak, and Yayasan Bahtera Nusantara).

Table of Progress

<u>Benchmark</u>	<u>Benchmark/Output</u>	<u>Status*</u>
Monitoring and Enforcement	Total elimination of destructive fishing practices in the park	On track
Environmentally sound, science based park management	Applied conservation sciences in marine park management	Some early delays, but now on track
Partnership and Flagships	Established strong partnership for sustainable management of the park	Completed
Communication Strategy	The conservation program is adopted by stakeholders	On track
Establish MAC Coordinator and Office for Indonesia	<ol style="list-style-type: none"> 1. Establishing a full-time in-country presence through a MAC Coordinator and Office. 2. Accelerating certification development. 3. Undertaking expanded efforts in stakeholder consultations and network development. 	<ol style="list-style-type: none"> 1. Was On-Track, now delayed due to the departure of personnel 2. Completed 3. Completed
Test certification standards	<ol style="list-style-type: none"> 1. Creating and coordinating a MAC Indonesia working group. 2. Coordinating the review and adaptation of MAC international standards. 3. Coordinating the testing of standards by industry members, especially field collectors, to establish certification experience and capacity. 	<ol style="list-style-type: none"> 1. Completed 2. Modified 3. Modified
Build capacity of collectors and industry operators	<ol style="list-style-type: none"> 1. Developing partnerships to provide training to ensure that field collectors have the skills to participate in certification. 2. Undertaking an outreach program to ensure that all industry participants are informed of the certification system and provided with guidelines for achieving compliance. 	<ol style="list-style-type: none"> 1. On-track 2. Modified

- Status may include activities that are completed, on-track, delayed, mixed performance, or cancelled.

Next steps

The focus of USAID-supported work in the next reporting period will be the development of a tri-national strategy to conserve marine turtles. The initiative will promote expansion of the existing marine turtle strategy for the joint Philippines-Malaysia Turtle Islands Heritage Protected Area to a much larger area between Sabah, Malaysia, the Sulu Archipelago, Philippines, and East Kalimantan, Indonesia (referred to as the Tri-National Area). Specific activities over the course of the year include:

1. Outreach and Advocacy with the Philippine, Indonesian, and Malaysian Governments to secure their full participation in and commitment to a Tri-National marine turtle conservation strategy
2. Training on marine turtle ecology, management, and conservation to orient and build capacity in key government agencies
3. Technical workshop to develop a Tri-national Marine Turtle Conservation Strategy with a focus on the tri-national area between East Kalimantan, Sabah and the Sulu-Archipelago.
4. Workshop to secure endorsement of the Tri-national Strategy and commitment to implementation of this strategy.

Pending approval of 2001 EAP-EI funding, WWF will also pursue:

- Environmentally sound, science-based management and monitoring of fish stocks and indicator species in Bunaken National Park
- Expansion of patrolling and enforcement in Bunaken National Marine Park and adjacent areas
- Development of sustainable financing mechanisms for marine conservation and support to institutions to manage them

Success Stories

Law Enforcement in Marine Conservation: Intensified patrols in Bunaken Marine Park and prosecution of destructive fishers have resulted in dramatic reductions in destructive fishing practices in the park and adjacent areas. The support given by WWF to the Dewan Pengelolaan Bunaken (Bunaken Board) has increased their capacity to more mobilize the local police to support patrols and law enforcement in the Bunaken area.

Stakeholder Capacity Building: Conservation management tools, such as the Reef Check method, have been adopted by local partners (government, dive operators and NGOs) enabling them to increase their knowledge of and involvement in conservation management and policy-making. For example, local people spoke out during the revised zonation planning process for Bunaken about conservation priorities and where and how they should be achieved.

Conservation Advocacy: Strong partnerships between WWF and other conservation advocates in North Sulawesi (NRM, NSWA, Bunaken Management Board) have led to an increased attention to environmental issues as local development policies are formulated. Similarly, in Bali Barat stronger advocacy efforts through partnerships have led the Bali Government to require technical consultation with WWF and its partners in decision-making regarding a new grouper farm in the park that raised concerns about conservation impacts.

Communications Campaign: The participation of NUGIE, a popular singer, in the coral reef communications campaign has dramatically raised the profile of coral reef conservation among Indonesia's young people.

Government support for responsible marine ornamental industry operations: At a recent inter-agency workshop on the aquarium trade, the Government of Indonesia acknowledged that the marine aquarium trade is a source of income for many fisher folks in poor coastal communities and, if done sustainably, can provide incentives for conservation. As a result, the government decided not to support a moratorium on coral trade and instead supports certification as a win-win solution. The government urged the industry to take a more active role in implementing environmental management measures to ensure the ecological and financial sustainability of coral reef resources.

Increased industry involvement in MAC and certification development: To express support for MAC Certification, AKKII has signed a statement urging its members to seek to supply only certified organisms and to become certified as soon as possible. Four export companies have expressed strong interest in moving forward with pilot efforts including collectors' training. Increased industry involvement in MAC was also reflected in Indonesian exporters openness to contribute their trade data (based on individual company's sales invoices) to Global Marine Aquarium Trade Database (GMAD) organized by the World Conservation Monitoring Center (UNEP-WCMC) on behalf of MAC. All AKKII members have contributed data to GMAD.

Challenges and Lessons Learned

- * Government agencies are now recognizing that the conservation science issues (quality and quantity of resources, vulnerability analysis, conservation strategy, ecosystem connectivity at broader scales, etc.) should be an integral part of the development framework. However, capacity is still limited among the local people who must support conservation planning and implementation in the long run.
- * Intensified patrols have been quite successful in eliminating destructive fishing practices in Bunaken Park. However, patrolling activities must be combined with stronger local resource stewardship programs among local communities to ensure conservation over the long term.
- * The effort to establish a sustainable financing mechanism for conservation in North Sulawesi has run into debates over the use of fees such as park entrance fees for development as well as conservation activities. However, other sources – such as national government allocations and business permits – already exist to fund development activities while no such alternatives currently exist to support conservation work.
- * Although the discussion of the implementation environmental standards and certification for the marine ornamental trade in developing countries like the Philippines and Indonesia is complex and abstract at a first glance, more and more stakeholders have come to realize that it is quite possible, and very important, to achieve MAC Certification. The Philippine feasibility study provides concrete examples how collection areas, collectors, and exporters can become certifiable with some extra investment and efforts. The stories from the field have helped greatly in dispelling the myth surrounding the complexities and difficulties of certification.

