

The Ecuadorian Awa Territory: Protecting Habitat Biodiversity

Project period: 1 October 2001-30 September 2004
Period covered by report: **January – March 2004**
Project executors : WWF Colombia
Altrópico Foundation
Ecuadorian Federation of Awa Centers (FCAE, its Spanish acronym)
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A. Project objectives (in this case, specific objectives of the activities for which an extension was requested)

The Coordination and Monitoring Committee of the “Protecting the Habitat” Project in the Awa Territory of Ecuador? which was signed in Quito on January 28, 2004, with the participation of the delegates of FCAE, Altrópico, WWF and USAID? decided to dedicate the remaining resources and the time granted by USAID for extending the project to 30 September 2004. This time extension will be used to develop the activities necessary for accomplishing five expected outcomes around the first phase of the establishment of a Center for Training, Storage and Transformation of Forestry Products in San Lorenzo for the processing and commercialization of lumber coming from the four Awa centers (Mataje, Guadualito, Balsareño and Pambilar) participating in the FCAE Forestry Management Subprogram.

Expected outcomes to September 30 of 2004:

1. The project for establishing a Center for Training, **Storage** and Transformation of Forestry Products based on the recommendations of the study of social, environmental and economic feasibility being implemented
2. Legal constitution of the Center for Training, Storage and Transformation of Forestry Products in San Lorenzo
3. Buildings and grounds renewed and adapted for operating the Forestry Center
4. The sawmill and accessories installed and ready to use
5. Personnel of the Forestry Center trained in re-sawing the lumber

B. Summary of the Status of Project Activities and Progress

The study of social, environmental and economic feasibility for the project of forming a Center for Training, Storage and Transformation of Forestry Products was finished. The study (final draft) was presented and approved by the Monitoring Committee of the “Protecting the Habitat” Project in the Awa Territory of Ecuador. The study was the basis

for the FCAE to present a proposal of activities and distribution to WWF, Altrópico and USAID in order to advance in the first phases of the transformation center in San Lorenzo.

The activities planned in relation to **Outcome 2** were only partially completed. During the quarter progress has been made in the compilation of information about the best legal figure for this enterprise. The process of analyzing the information within FCAE will be done at the end of the next period.

The activities of **Outcomes 3, 4 and 5** were planned for starting next quarter. The acquisition and importation of the sawmill, accessories and office equipment (planned for March according to the project timetable) could not be begun before the legal constitution of the enterprise (Expected Outcome 2).

The next Project Monitoring Committee meeting (May 2004) will analyze how to address the delay in the timetable, which is occurring at this time for some of the activities and which the FCAE attributes to the internal dynamics of community concertation, training and planning of the organization itself. Moreover, the difficulties set forth by the FCAE in the last part of this quarterly report are so serious that WWF has questioned the viability of the project, as presented by FCAE and approved by the Committee members in the month of February 2004.

C. Specific products obtained during the implementation of the project

- Feasibility study of the formation of the Center for Training, Storage and Transformation of Forestry Products of the FCAE finished (final draft), presented and approved
- Budget and timetable for the project prepared and approved
- Bids for the acquisition of the machines and equipment updated
- Information about the formation of the Awa Corporation and the Forestry Center compiled and prepared for the analysis within FCAE and the Awa centers participating in the forestry subprogram

outcomes to Sept. 30, 2004	entire extension period (Jan. –Sept. 2004)	Activities carried out in this quarter	Observations
1. Project ready for implementation	1.1 Planning of the project – February	<ul style="list-style-type: none"> ▪ Final draft of study presented and approved by the Project Monitoring Committee (Altrópico, FCAE, WWF Colombia and USAID Ecuador) 28/01/2004 ▪ Budget and timetable for project prepared (sent to WWF 11/02/2004 ▪ Bids for acquiring machinery and equipment updated 	Final version of study planned for end of April, incorporating the observations/ recommendations sent by WWF Colombia 22/01/2004
2. Company for Storing, Transforming and Training of Forestry Products constituted	2.1 Socialize the project in the 4 Awa centers: March and April	Behind time	Socialization workshop at the Balsareño center planned for 1/5/2004
	2.2 FCAE Corporation legally constituted: March and April	Behind time	Planning meeting foreseen for 21/04/2004
	2.3 Provisional Board of Directors formed. Bylaws drawn up. Documents sent to the respective Ministry and approved: April and May	Behind time	
	2.4 Acquisition and installation of office equipment: March and April	Behind time	
3. The buildings renewed and adapted for operating the company	3.1 Repair existing sheds: April and May	No activities foreseen in this quarter	
	3.2 Prepare storage and lumber drying yard: April and May		
	3.3 Carry out electrical installations: May		

	2004)	out in this quarter	Observations
4. Machinery installed and ready for use	4.1 Acquisition and importation of a Woodmizer sawmill (with support of USAID Ecuador): March, April, May and June	Behind time.	Monitoring Committee will examine convenience of beginning these activities without the Awa forestry enterprise being legally constituted
	4.2 Installation of Woodmizer sawmill (by technician of Aristizabal and Jinete LTDA., representative of Woodmizer in Colombia): August	No activities foreseen in this quarter	
	4.3 Acquisition of an Ecuatran transformer: April, May and June		
	4.4 Installation of transformer: June and July		
5 Center personnel trained in the re-sawing of the lumber	5.1 Training in the use and maintenance of the sawmill and the sharpening of the bands (done by technician of Aristizabal and Jinete LTDA.): July	No activities foreseen in this quarter	

D. Problems encountered

1. Legal constitution of the corporation and the Forestry Center

As planned in the feasibility study and discussed in the presentation of the same, the process of the legal and formal constitution of the forestry enterprise and of the socialization of the project in the communities (phase 1) is slow because it is a community project. In this context the duration of the project agreed upon in the presentation of the feasibility study in Quito on 28 January 2004, could be overly ambitious and difficult to reach. In the framework of the Project Monitoring Committee, the best options for continuing with the development of these activities will be analyzed.

2. Grounds for the Forestry Center and operating permit

San Lorenzo does not have an industrial park; therefore, there is no division between residential and industrial zones. In all areas of the city, commercial, artisanal and industrial activities are being carried out. Nevertheless, establishing a new Forestry Center could cause conflicts, especially as in front of the property on "22 of March" Street, there is a public school. Although the feasibility study contemplated the acquisition of modern machinery (silent) and a system for vacuuming dust, the processing and transformation of lumber unavoidably produce noise, dust and gas (smoke) emissions, the mitigation of which could be costly (especially for noises and

outskirts of the city.

Recently in San Lorenzo, a municipal ordinance was drawn up (whose approval is pending) that requires the authorization by the Municipal Environmental Management Unit (UGA) for the Forestry Center (personal communication, Dr. Guillermo Hora Palacio, San Lorenzo) in the form of an operating permit. The permit requires an environmental impact study for the Forestry Center.

3. Legal status of the properties for the Forestry Center in San Lorenzo

The legal situation of both FCAE properties in San Lorenzo is not yet resolved. The grounds and the equipment on the property in the Ninth of October District (Barón of Carondelet Street and “22 of March” Street) are still the legal property of the Ecuadorian Technical Unit for the Ecodevelopment of the Amazon and Awa Region (UTEPA). The second property (Nueva Esperanza District, “The Olive Trees” Street) is in their possession, but they do not have a title.

FCAE recommends analyzing whether an investment should be made in constructions and infrastructure of these properties without having resolved their legal status.