

**EnterpriseWorks/VITA (EWW)
EnterpriseWorks Worldwide Philippines (EWW/P)
and
Region 2 and Palawan Federations of CBFM People's Organizations**

***In Situ* Biodiversity at Two Sites in the Philippines
“Capacity Building for Community-Based Forest Management (CBFM)”
LAG-A-00-99-00052-00**



Project Period October 2001 – September 2008

Global Conservation Program (GCP) – USAID

CTO: Hannah Fairbank

Annual Report for FY 07

October 1, 2006 – September 30, 2007

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Introduction

The “Capacity Building for the Community Based Forest Management (CBFM) Project” in the Philippines is implemented by EnterpriseWorks/VITA (EWV). The project was amended in 2003 to extend the project period until September 2008 and add/expand activities to better address the threats to biodiversity. The goal of the project is to:

- 1) Bring 300,000 hectares under effective management (up from 225,000) in Region 2 and Palawan already in the Community Based Forest Management (CBFM) Program - a national land tenure program administered by the Philippine Department of Environment and Natural Resources - DENR. The CBFM program allows communities to gain tenure to an area of old growth, secondary, and/or denuded forest. CBFM agreements give communities a mix of opportunities (limited extraction in secondary forests and rehabilitation rights in denuded areas) and responsibilities (protection of old growth areas).
- 2) Build a sustainable mechanism within the CBFM provincial level federations for providing CBFM resource management services that conserve biodiversity while providing for sustainable economic activities. In each province approximately 25 to 35 CBFM agreements have been awarded to communities. These groups are federated in order to more effectively interact with the government and leverage opportunities for effective forest management.
- 3) Link the CBFM groups to government, NGOs, and other efforts in adjacent non-CBFM forest areas to conserve and protect the overall forest biodiversity at a landscape level regardless of tenure classification.

The Philippines is a priority region for biodiversity conservation under the hotspots approach. The Philippines has evolved fauna and flora with high levels of endemism, due in part to its biogeographical isolation and fragmentation into 7,100 islands. Sadly, in the past fifty years, two thirds of the forest has been cleared (Myers 1988, Myers 1990, Mittermeier et al 1998). Some of the most intact remaining forest ecosystems are in Palawan and the Sierra Madre biodiversity corridor that runs through Region 2. This project targets CBFM sites in Palawan and the Sierra Madre biodiversity corridor that run through Quirino, Cagayan and Isabela, as well as forests in Nueva Vizcaya (see map in Annex 1 for site locations). In these sites, forest under community control is significant. For example, of the 2,137,151 hectares of biodiversity rich forestland found in the Sierra Madre (Cagayan, Isabela) and Palawan, 371,915 hectares (17% - over half of which are old growth or contiguous second growth forest adjacent to protected areas) are under CBFM management. CBFM sites that are more degraded or have only remnant forests often are adjacent to government forests and act as a buffer or first warning for illegal forest activities on government lands.

Progress on Year Six GCP Project Implementation (October 2006 to September 2007)

Most of the planned activities for FY 2007 were completed or were scheduled to run into 2008. Major progress was made in increasing the capacity of the Federations and Provincial Task Forces to plan for biodiversity conservation at a landscape level, more aggressively address threats through coordinated enforcement of forestry laws, and increase attention to CBFM

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business planning and replanting programs that rehabilitate denuded land and take pressure off remaining natural forest stands. Please see Success Stories.

Pursuant to the January 5, 2006 memorandum, the suspension on harvesting of planted trees on private and communal areas was lifted on July, 2007. Permits will be issued to groups that meet the requirements for forest resource utilization. Compared to other regions and provinces in the country implementing CBFM, R2 and Palawan are way ahead in meeting the requirements. Thus, federation members (POs) in R2 and Palawan that have planted trees have a greater chance of getting permits to harvest. Responsible use of trees that have been planted in previously denuded areas takes pressure off extracting trees from natural stands.

While significant progress has been made in addressing logging, fire, and farm expansion threats to the forest, mining has now become a serious threat throughout the country. On July 18, 2007, President Arroyo issued Executive Order (EO) 636 transferring the authority to oversee the implementation of the country's utilization and development of mineral resources to the Office of the President from the DENR. This transfer of authority diminishes the authority of the DENR to enforce the forestry rules and regulations. There is also a growing concern from organizations involved in forestry activities about the potential of the EO being abused by those who have economic interest and stake in the Mining industry if no mitigating measures are put in place to protect against the negative environmental impact of mining. The federations and task forces, are already mobilizing to address this new threat.

At the start of the GCP project, the CBFM groups would not have been able to take on such a challenge, but now they are actively addressing the threat in coordination with other local actors at a landscape level. A definite legacy from the GCP supported work. The replanting programs also show the CBFM groups and local governments that more compatible livelihood opportunities are possible and that mining is not the only income generating option. The CBFM groups that have participated in the replanting program very much prefer them to the options being offered by the mining companies.

Table 1 gives an overview of the GCP major accomplishments for FY07.

Table 1 – Activity Status for GCP Year 6

Activity Number	Activity Title	Status
Objective 1 – Improve the Federations’ abilities to provide sustainable services to their members in forest resource use planning and management through improved coordination with multi-sectoral task forces.		
1.a	Improve Federations’ collaboration with groups, agencies, and assisting organizations for Community Based Forest Management (CBFM) and its integration with adjoining biodiversity-rich areas to leverage more support and avoid duplication of effort	Continuing
1.b	Harmonize Community Based Forest Management Program (CBFM) with proposed laws and landscape level management plans	Continuing
1.c	Strengthen federation and multi-stakeholder capabilities to enhance law enforcement and policy advocacy	Continuing
Objective 2 – Develop Federations’ capacity to administer biological monitoring and meet legal compliance with forestry regulations.		
2.a	Evaluation of federation members’ (POs) implementation of their management plans (CRMF) done in GCP Years 1 to 5	Completed
2.b	Continue monitoring of the implementation of Individual Property Rights (IPR) activities of selected CBFM POs	On-track
2.c	Continue monitoring of established agroforestry areas	On-track
Objective 3 – Transfer resource management tools and strategies to Federations - developed under proven conservation programs - for articulating and integrating threat abatement strategies into resource management and economic development activities		
3.a	Continue to incorporate fire prevention and control strategies with CBFM federations and local government units	On-track
3.b	Continue training Federation members in biological assessment (including threats reduction tool)	On-track
Objective 4 – Conduct monitoring, adaptive management and learning		
4.a	Continue biological assessment (including threats reduction tool) and monitoring in Palawan and Region 2	On-track
4.b	Document progress of CBFM Federations gaining improved and effective management status	Continuing
4.c	Continue learning component in project	On-track

Highlights – October 1, 2006 through September 30, 2007

Year 6 Goal Progress Toward Effective Management	Year Six Progress Achieved Toward Effective Management
Year 6 Objectives	Major Accomplishments
300,000 hectares (cumulative) within 5 Federations	312,135.97 hectares in 133 community based forest management sites within 5 Federations in Region 2 and Palawan <ul style="list-style-type: none"> • 108,759.15 hectares covering 25 sites in Cagayan • 48,289.18 hectares covering 18 sites in Isabela • 91,283.26 hectares covering 36 sites in Quirino • 17,465.07 hectares covering 24 sites in Nueva Vizcaya • 46,339.31 hectares covering 30 sites in Palawan

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<p>Objective 1 – Improve the Federations’ abilities to provide sustainable services to their members in forest resource use planning and management through improved coordination with multi-sectoral task forces</p>	<p>CAGAYAN</p> <ul style="list-style-type: none"> • EWV/P’s continued involvement in the initiative of the Cagayan Council for Sierra Madre Biodiversity Corridor (CCSMBC) in the proclamation of the Northeastern Cagayan Protected Landscape (NECPLS) as a protected area. The council has completed the 9 steps out of the 13 for it’s proclamation. The proposal is already at the national level for National Review. It was endorsed by the DENR Regional Office to the Protected Area and Wildlife Bureau (PAWB) on July 10, 2007. On October 16, 2007 the National Review Committee started their review of the proposed NECPLS. • The Cagayan Environment Code was officially launched. After years of planning, drafting, and lobbying to the provincial council, the Cagayan Environment Code has finally been launched. The CCSMBC and the Provincial Council for Sustainable Development (PCSD) felt the need for a framework that would provide guidelines for environmental protection and management. Several municipal level Local Government Units (LGUs), especially those bordering the Sierra Madre biodiversity corridor supported the passage of the environment code. A covenant was also signed to reinforce the commitment of the stakeholders. <p>QUIRINO</p> <ul style="list-style-type: none"> • Php 5 Million leveraged by GCP for CBFM activities in Quirino province. The provincial government and five municipalities allotted Php 2.5 million each to support priority activities for the CBFM federation members and the Inter-Institutional Management Team (IIMT). These priority activities are: capacity building for the IIMT support group, livelihood and livelihood support activities, nursery and reforestation activities, and strengthening and organization of municipal task forces. The LGUs’ allotment of funds for the IIMT 2 management plan demonstrates the growing awareness of the provincial people about the importance of protecting and conserving the environment. Environment awareness is exemplified by the comment of the mayor of Cabarroguis: “ the environment is the least prioritized sector by the government, however it is the most important since everything depends on it--it’s about time we make this our primary agenda”. It is worth noting that the completion of the IIMT plan activities can, to a large extent, be attributed to the individual CBFM groups and the Quirino provincial federation (QSEED) whose work plans were the bases for the IIMT management plan. These POs are the beneficiaries of EWV’s interventions. See Success Story • Formation of the IIMT for the 2nd district of Quirino (Nagtipunan and Maddela). Another IIMT (IIMT 2) was formed in 2006 to serve the needs of CBFM POs from the municipalities of Maddela and Nagtipunan. The first IIMT that was formed focused its assistance on the municipalities of Aglipay, Cabarroguis and Diffun for the past three years. The municipalities of Maddela and Nagtipunan have thicker forest cover. Nagtipunan alone has forest cover greater than the forest cover of the three other municipalities combined. Forester Lucas Tuliao, the CENRO Nagtipunan Forestry Specialist, was elected head of this task force. IIMT has also served as arbiter to address the CADC-CBFM boundary conflict. IIMT is also supporting the implementation of the Ancestral Domains Sustainable Development and Protection Plan (ADSPP), a long term framework for the Agtas and Bugkalot ancestral lands in Nagtipunan. The IIMT considers the ADSDPP and the forest land use FLUP critical elements in resolving and preventing resource/forest related conflicts. The ADSPP provides guidance on conflict resolution.
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	<p>NUEVA VIZCAYA</p> <ul style="list-style-type: none"> • Through the business planning assistance provided by EWV, the Philippine Tropical Forest Conservation Foundation (PTFCF) awarded Php1,403,990 (\$28,080US) grant to the Mutia Upland Farmers Association (MUFA) to implement the “Restoration of MUFA’s Denuded Areas and Capability Building of People’s in Environmental and Financial Management”. The project will fund Assisted Natural Regeneration (ANR) for 10 hectares, enrichment planting for residual forest and brush land in 10 hectares, green breaks establishment in 15 kilometers, agroforestry activities in 5 hectares, the award of twenty five Individual Property Rights (IPR) to 25 members, and nursery establishment for 46,636 forest and agroforestry species. It will also fund capacity building of the members for nursery business planning, establishment and maintenance, financial management, leadership and para-legal skills training. Project duration is from December, 2006 to December 2007. EWV is providing technical assistance in both tree planting and nursery business management. As of August, 2007, MUFA has accomplished the following (See Success Story): <ul style="list-style-type: none"> - 32 Individual Property Rights (316.31 has surveyed and mapped and farm plans completed) - 17, 581 high value fruit trees and 19,391 indigenous tree species raised in the nursery - nursery establishment and maintenance training conducted - financial record keeping training conducted - leadership skills training conducted - servicultural techniques training conducted - out planted 75% of the seedlings • Capability building in proposal making, networking and policy advocacy of the Nueva Vizcaya CBFM federation. • A 2 day hands-on GPS reading and GIS operation workshop was provided for the DENR CBFM coordinators as part of the capacity-building for the support groups especially DENR. • EWV and the Nueva Vizcaya Federation became members of the Nueva Vizcaya Multi-Sectoral Forest Protection Committee and the Provincial Environment and Natural Resources Committee. <p>PALAWAN</p> <ul style="list-style-type: none"> • A Memorandum of Understanding (MOU) was signed between Bagobuk Community Multi-Purpose Cooperative (BCMPC) and Department of Agriculture (DA) for the expansion of the Cashew Development Program for the CBFM communities. The MOU establishes the commitment of BCMPC and DA to partner in building the capability of the CBFM People’s Organization from nursery to harvesting and even post harvest processing and marketing of cashew nuts. Assistance will also be provided for the protection and conservation of biodiversity within the cashew plantation areas. To date, the DA Provincial Office has provided 1,000 cashew seedlings of Mitra variety to the BCMPC agro-forestry project in Barangay Napsan while the Palawan City Agriculture office provided the 1,000 grafted Cacao seedlings. • EWV assisted the BCMPC with business planning and BCMPC secured from Philippine Tropical Forest Conservation Foundation (PTFCF) funds of Php1,412,020 (\$28,240US to BCMCP in Palawan). BCMCP’s plan for the reforestation of CBFM’s denuded areas and enhancing people’s capacity in Environmental and Economic Development Activities include
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	<p>reforestation of 10 hectares of inadequately stocked forest, assisted natural regeneration for 10 hectares of plantation and naturally grown forest and 20 hectares of agroforestry area. The grant will also fund the establishment of a nursery for 37,287 forest and agroforestry species seedlings as well as capacity building for members in nursery business planning, establishment and maintenance; financial management; business planning for rice trading enterprises and para-legal training. The project period is from November, 2006 to November, 2008. EWV's counter part is to provide technical assistance.</p> <p>To date, BCMPC has accomplished the following:</p> <ul style="list-style-type: none"> - 37,737 high value fruit trees and indigenous tree species seedlings were raised in the nursery - planted 10 hectares of reforestation area - planted 12 hectares of agroforestry area - planted 5 hectares enrichment planting - conducted nursery establishment and maintenance training - conducted para-legal training - conducted financial record keeping <ul style="list-style-type: none"> • Thanks to EWV's and the CBFM federation's continuous lobbying with the City Planning & Development Office (CPDO) of Puerto Princesa City, CBFM projects will now be included in the Comprehensive Land Use Plan (CLUP) of the City. CBFM spatial data & shape files will be shared by EWV.
<p>Objective 2 - Develop Federations' capacity to administer biological monitoring and meet legal compliance with forestry regulations</p>	<p>CAGAYAN</p> <ul style="list-style-type: none"> • Continued support to the Cagayan provincial federation by the Regional Multi-Sectoral Forest Protection Committee (RMFPC) to comply with forestry regulations. <p>On August 25-26, 2007, illegally sourced wood coming from Sanchez Mira, Cagayan was confiscated by the CENRO Aparri. RMFPC was not furnished a copy of the report sent to the Regional DENR office. A full status report of the confiscated wood and the action being taken by the DENR was required by the Chairman of the RMFPC to be submitted at the next regular meeting of the members.</p> <p>Illegal Cutting and Gathering of Forest Products (rattan) along the coastal forest areas of Cagayan was also reported to the RMFPC. The Technical Working Group (TWG) requested a formal investigation of the reported illegal activities. The result of the investigation will be reported at the next regular meeting of the RMFPC members.</p> <p>Illegal Logging within the Northern Sierra Madre Natural Park, Sitio Digud, Del Pilar, San Mariano, Isabela was also reported to the RMFPC. About 14 pieces of rattan lumber with a total volume of 346 board feet were seized and brought to CENRO Naguillan for safekeeping and proper disposition. In view of the above findings, the TWG team recommended increasing the number of Forest Rangers assigned to guard the forest areas.</p> <p>In the Municipality of Sta. Teresita, Cagayan and vicinities, an investigating and monitoring team of the barangay noted the presence of scattered piles of sawdust and few trimmings of flitches' bucked ends, allegedly evidence of new and old chain sawing activity. There were also traces of animal skidding of flitches observed along the trails leading to</p>

	<p>the area. An on-going surveillance operation is being conducted within the five identified outlets of timber poachers at the barangays of Dungeg, Alucao, Luga, Bigok and Aridawen. Coordination with the municipal officials and personnel of other law enforcement agencies and deployment of mobile checkpoints was recommended to help the barangay officials check illegal activities.</p> <ul style="list-style-type: none"> • Representatives from the Philippine National Police (PNP) in Cagayan (PNP) also reported that there were about 1,800 bd ft equivalent to PHP53,479.00 confiscated from Quirino. However, the confiscation was not properly reported to the DENR. PNP was required to make a separate report on this confiscation so that DENR can take the proper action. DENR was also requested to report the status of this confiscation at the next regular meeting of the RMFPC members. <p>QUIRINO</p> <ul style="list-style-type: none"> • In FY06 the Quirino provincial federation (QSEED) and EWV as members of the Inter-Institutional Management Team (IIMT), in collaboration with Conservation International, participated in the formulation of municipal forest land use plans (MLUP). The EWV and QSEED were selected by the Protected Area Management Board (PAMB) as members of the Technical Working Group (TWG) to plan and draft the provincial forest land use plans (PFLUP) and the provincial environment code. Last May, the TWG completed an action plan for the PFLUF and the provincial environment code. Initial activities for the PFLUF included validation of municipal data, compilation of municipal spatial data, and updating of the provincial data. For the environment code, compilation and review of municipal and provincial ordinances related to environmental protection and conservation. <p>The strategy in the formation of the IIMT as technical service provider for the provincial CBFMs was shared by EWV and QSEED during the regional consultation of the DENR 10-year CBFM strategic plan. Because of the success of IIMT in Quirino, the strategy was included in the strategic plan.</p> <p>PALAWAN</p> <ul style="list-style-type: none"> • The Palawan federation in collaboration with the Technical Working Group, continuously conducts Information Education Campaign (IEC) activities about CBFM Program, SEP Law & ECAN, DENR-LGU devolved function, Biodiversity Conservation and other Environmental laws to its member POs in their community. Because of these activities, the TWG helped resolve an encroachment issue between a CBFM PO, MMPC of San Vicente and Engr. Edgardo Luengo, a construction contractor of San Vicente proposed airport. The proposed airport is within the CBFM area of Macatumbalen Multi-Purpose Cooperative (MMPC). Mr. Luengo claimed that he was not aware that the area is a CBFM area since there were no occupants in the area when they started the construction. Forester Cayatoc of DENR informed Mr. Luengo that if the area was not vacated as soon as possible, the multi-sectoral team thru DENR will file a case against him. With this, Mr. Luengo agreed to vacate the area and to settle the issue with the management of the MMPC. • In BCMPC in Napsan, encroachment and selling of a portion of the CBFM that the encroachers occupy is also prevalent. With the help of EWV's forester and the TWG, a survey was conducted in the area to identify and document the illegal occupants of the area. Within the 210 hectares of BCMPC's CBFM area, 10 individuals with a total of 85 hectares were identified. The report was submitted to DENR for the filing of the cases to
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	<p>the proper court. An Information Education Campaign (IEC) regarding CBFM, Forestry Laws, DENR-LGU devolve functions, PCSD and SEP Law in Palawan was conducted in Napsan by the TWG to avoid further encroaching in the area.</p> <p>DENR 10 Year CBFM Strategic Planning</p> <ul style="list-style-type: none"> • After going through the various stages of the planning processes, from policy reviews to regional consultations, the ten year CBFM strategic plan has now been translated into a DENR administrative Order 2007-10. This strategic plan will serve as guideline for the entire country for the implementation of the CBFM program. The NGO Consortium (EWV is a member) lobbied for integration of the CBFM strategic plan into President Arroyo's poverty alleviation program. The CBFM groups have been identified belonging to the upland poverty sector. <p>The DENR, NGO Consortium and the stakeholders involved during the planning process recognized situations vary across different regions. A regional level action planning will be conducted starting September to address this.</p>
<p>Objective 3 – Transfer resource management tools and strategies to Federations - developed under proven conservation programs - for articulating and integrating threat abatement strategies into resource management and economic development activities</p>	<ul style="list-style-type: none"> • In Palawan, Advanced Para-legal Training and Deputation of village Forest Rangers was conducted by the TWG for the federation members. • In Cagayan a resolution to lift the suspension of deputization of forest officers will be submitted to DENR office and the issues will be forwarded to the Regional Development Council. A resolution to deputize all members of RMFPC will also be submitted. The same resolution will also be forwarded to the Department of Interior and Local Government (DILG) for the Local Government Units (LGU) to deputize their own forest rangers. This is already induced in the Local Government Code. There is only a need to add provisions for deputization.
<p>Objective 4 – Conduct monitoring, adaptive management and learning</p>	<ul style="list-style-type: none"> • Shared Region 2 learning with the DENR 10 Year National Strategic Planning • A reassessment was conducted earlier in the fiscal year to determine the impacts of the project on PO self governance, financial management, enterprise development, number of economic participants, forest protection, forest development, biological threat mitigation and tenure conflict within a 3 to 4 year period of implementation. Another objective of the reassessment was to identify additional strategies for the final year of GCP implementation. About 70% of the CBFM groups were included in these assessments. <p>The following are some of the findings after the re-assessment:</p> <ul style="list-style-type: none"> - Governance stagnated for many individual groups as resource use permits were suspended, while other groups were catalyzed and contributed to federation building and cross-sectoral task forces - Financial controls improved for many groups, but groups with banking relationships declined by 12% due to restricted economic activities. Total capital build up for PO did increase from 6.4 M Pesos to 14.7 M Pesos - There is a major shift from timber and non-timber forest products enterprise due to RUP suspensions of lending operations, agroforestry and agriculture. - Economic participants increased by 21% (about 1000) - There is a decrease in the number of foot patrols and checkpoints, but

	<p>increased fire control in some groups and legal filings against illegal activities (but POs threatened)</p> <ul style="list-style-type: none"> - Plantations and agroforestry increased but timber stand improvement and assisted natural regeneration decreased dramatically - Documented conservation of biodiversity (decreased timber poaching and fires) and greater awareness within groups, but also set backs from outside mining. Overall, the rate of deforestation has dramatically decreased (see Capacity Building Success Story) - Ground delineations and community mapping resolve conflicts and enforce protection policies - Recognition of individual property rights (IPR) helps member better participate in CBFM, encourages tree planting, and has helped to decrease slash and burn - Conflicts greatly reduced which provide greater stability for economic activities and incentives to protect <ul style="list-style-type: none"> • Continuing documentation of CBFM progress through monitoring sheets • Shared GCP site level learning, in particular the reassessment and finding of the 70 CBFM groups looking at governance, threats to biodiversity, and economic/livelihood development, at the Translinks Workshop in the Philippines.
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Update on Learning Component of Work Plan

EWV, AWF, and WCS worked together on “Mobilizing and measuring socio-economic impacts of conservation interventions learning group” and accomplished most of the planned activities. The final output is in the final stages of production and is expected in the next two months. Updates on the main activities are:

1) EWV and AWF completed the joint field work in the Kenya Heartland. This field work took place in January and May of 2007. EWV and AWF presented socio-economic monitoring guidance (tested draft document) and collected experiences from a collaborative group of 36 practitioners from over a dozen sites from around the world. These practitioners have been looking at the interface between landscape level conservation and sector level economic development for poverty alleviation as well as exploring/developing methodologies to measure socio-economic impacts of conservation enterprises. For the Wetlands sites in particular (five wetlands sites including Ambolseli) EWV conducted a full review of all the indicators being used to inform the guidance document on socio-economic monitoring and integration with conservation work.

The second portion of the joint EWV/AWF field work in Kenya also was completed. This field work:

- Reviewed and extended measures of socio-economic impact for enterprise and other priority interventions. Investigated the possibility of including ‘system’ measures including impact on water and grazing. (**Work of Richard Hatfield – see attached Annex A from AWF**)
- Collected baseline data for agreed measures for existing priority interventions and, as far as was possible, past or completed interventions. EWV’s group baseline collection tool

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was used/transferred from its GCP work in the Philippines. (Work of Ann Koontz and Ahmed Boubacar)

- Documented measures in AWF's PIMA monitoring system guidelines, and evaluated effectiveness of these measures internally and externally, informed EWV's Impact Tracking System (ITS), and provided learning and guidance for the other GCP partners in this area. EWV's ITS was updated to include learning from this field work and conversely AWF's tracking was informed by EWV's ITS system. (Joint AWF and EWV teams)

2) WCS's learning from its case study work in Gabon Parks and People was also shared with the Kenya practitioners group and got a good reception, especially on the guidance points for household surveys. The "Parks and People" approach was published in the Diversity section of Conservation Biology, which resulted in over 30 requests for copies of the complete methodology and datasheets. Conservation International in Equatorial Guinea is planning to use the methodology to assess the impact of protected areas on local livelihoods. Results from the study will contribute to the Poverty Environment Network project run by CIFOR. David Wilkie participated in an AWF/FFI sponsored workshop on measuring livelihoods held in Cambridge, UK on the 18-19th of July. All 40+ participants were provided with electronic copies of the methodology. A summary of methods used to assess livelihoods was published as a Living Landscapes Program Technical Manual, and is now available on the EWV website in English, French and Spanish.

The Living Landscapes Program, in collaboration with the WCS Institute, hosted a Protected Areas and Livelihoods workshop on June 4-7. Draft papers from the workshop have been produced and a WCS Working Paper will be published late this year or early in 2008.

3) The field work and meetings greatly informed the guidance document and the chart below summarizes the progress on completing the guidance product and disseminating the lessons from this learning group and their experiences and work over the past year.

Update on Guidance Product

Item	Lead	Status	Field Involvement
First draft of guidance document on "Integrating Socio-economic and Conservation in Monitoring and Evaluation – Guidance for Field Practitioners"	EWV, with collaboration from AWF to integrate PIMA and WCS work	Completed	First draft guidance in PowerPoint form presented to Wetlands International Meeting that including field site teams from five sites in Africa and Indonesia. Each field site team gave feedback on draft guidance.
Second draft of guidance document with supporting tools (PIMA, ITS, WCS – Household Surveys – a tool for conservation, design, action and monitoring) included	EWV with collaboration from AWF	Completed, via GCP annual meeting	Share with GCP virtual working group to get feedback and comments
Finalize guidance document and	AWF with collaboration from EWV	All Field testing and data gathering	Field testing and input with at least one of

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PowerPoint		completed; product in final production	AWF's field sites, either Samburu or Amboseli
Present/disseminate guidance document and PowerPoint at conservation/socio-economic "venues"	<ul style="list-style-type: none"> • AWF/EWV • EWV • Other 	<ul style="list-style-type: none"> • Learning shared during July 17 – 19, 2007 Workshop • Pending • See Below under dissemination 	<ul style="list-style-type: none"> • Measuring the impact of livelihoods initiatives in the conservation context workshop • Article for Poverty and Conservation Learning Portal

4) All the partners have been documenting lessons from above activities and have shared them with the "virtual" socio-economic group representatives during the GCP annual meeting in June. EWV, AWF, and WCS also took the opportunity at the following conferences and workshops to share the lessons with the greater conservation and development community:

- CI and EWV incorporated environment and poverty alleviation learning into the SEEP all day "value chain working group" which meets at the SEEP annual meeting in late October 2006, with EWV giving a presentation on the learning from the GCP group. **EWV PowerPoint completed and is included in guidance document/CD.**
- EWV presented lessons in integrating biodiversity conservation and socio-economic tools, from this learning activity at the FRAME workshop in October 2006. **EWV PowerPoint completed and is included in guidance document/CD.**
- Measuring the impact of livelihoods initiatives in conservation context – facilitated by Fauna and Floral International (FFI), Birdlife, and AWF – This workshop was attended by representatives from all GCP partners and AWF and EWV gave presentations on the GCP learning as well as gathered learning from the other participants that is being including in the final guidance product. **EWV and AWF PowerPoints completed and are included in guidance document/CD. All 40+ participants were provided with electronic copies of the WCS "Park and People" methodology.**
- Poverty and Conservation Learning Group, coordinated by International Institute for Environment and Development (IIED) - Still plan to submit an article.
- AWF and EWV presented the draft guidance document to the Wetlands and Poverty Deduction Project, led by Wetlands International with the International Water and Management Institute (IWMI) looking into learning on combining socio-economic and conservation indicators.
- Society for Conservation Biology (SCB), Social Science Working Group – Concept Paper submitted on GCP learning topic for inclusion in July South

Africa Meeting, but not accepted, will coordinate informally with working group and provide them with copy of final learning output.

- Through WSC and EWV, the learning on this topic is also being shared with two USAID funded learning mechanisms – FRAME and TRANSLINK.

SUCCESS STORY

Capacity Building of Community Based Forest Management Groups and Government Agencies Results in Forest Conservation

A decade ago, the province of Quirino was experiencing rapid forest loss averaging three percent per year. It was therefore a much celebrated success when the latest satellite images showed that there has been almost a complete stoppage of the province's forest cover loss from 2000 to 2006. USAID and other donors have been fostering linkages among community based forest management (CBFM) groups, the Department Environment and Natural Resources (DENR) and local government agencies to more effectively work together to conserve some of the most intact biodiversity remaining in the Philippines – the Sierra Madre. These governance improvements are generating documented environmental benefits as well as strengthening capacity for sustainable economic development in the province.



QSEED Federation, which represents over 22,000 CBFM constituents, working with local government and the DENR to achieve almost complete stoppage of forest loss in Quirino.

The Inter-Institutional Management Team (IIMT) is a leading example in Quirino of the new multi-stakeholder collaboration in support of the Community Based Forest Management (CBFM) program. IIMT is a technical working group composed of different agencies and organizations, both private and government, with a mandate to further strengthen Community-Based Forest Management (CBFM) programs and activities. IIMT supports the CBFM federation's linkages with government agencies. EnterpriseWorks/VITA, with funding from USAID's Global Conservation Program (GCP) has been providing technical assistance to the CBFM groups, facilitated the establishment of the CBFM federation in Quirino - QSEED, as well as assists IIMT to better address in a coordinated fashion the threats to forests in Quirino while promoting sustainable economy.

QSEED - Quirino Movement for Sustainable Environment and Economic Development, is the federation of CBFM groups in the province composed of 38 Community Based Forest Management areas that include 22,000 people. EnterpriseWorks/VITA provided technical assistance to build governance capacity of QSEED officers and members, strengthen management to provide services to its CBFM members, and learn hands on skills in business planning, forest threat abatement, land use planning, and biodiversity monitoring. The development of QSEED resulted in broader scale commitment to forest conservation, generated support from the provincial and municipal local government, leveraged funds and promoted the Quirino forest conservation lessons throughout the country.

To date, a total 3.1 million pesos worth of funding have been awarded to the QSEED for capacity development, formulation of land use management plans, and development of agroforestry enterprises including bio-diesel and forest protection and rehabilitation. This year the local government from both the province and municipalities will be allotting a total of Php 5 million for capacity building, policy development, pilot of nursery areas in each municipality, and infrastructure development.

The IIMT through the Community Forestry Foundation in Quirino (CFFQI) and the Provincial Planning and Development Office has also provided mapping and spatial information services through its Geographical Information Systems (GIS). This is an important tool used by the CBFM groups in planning, protecting and monitoring biodiversity in their respective forests.

The IIMT now serves as a model for providing inter-stakeholder collaboration and support for the CBFM program and field based forest protection activities. Their success has been presented and shared during different conferences and forums in the Philippines.

SUCCESS STORY

Integrating Traditional Practices with Modern Nursery Technology Gives Economic Security While Protecting Forests

Manong Daniel Caligue is an indigenous *Ifugao*. He and other *Ifugaos* were awarded a Community-based Forest Management Agreement (CBFMA) from the Department of Environment and Natural Resources (DENR) in Nueva Vizcaya, Philippines. But the land awarded is 749 hectares of rugged degraded forest land that borders on an old growth forest. The CBFMA agreement requires awardees to protect the forests in exchange for rights to gain sustainable economic benefits from the forest resources. The *Ifugaos* have been protecting the old growth forest, but the goal of gaining economic benefits from the degraded piece of forest land in their CBFMA area eluded them until they participated in a USAID sponsored project – The Global Conservation Program (GCP), implemented by EnterpriseWorks/VITA.

EnterpriseWorks/VITA helped this group by linking them with local financing, technical expertise, and business planning to establish a nursery and agroforestry replanting techniques that combine *Ifugao* indigenous rice farming practices with modern agroforestry techniques. The *Ifugaos* are world famous for their Banaue rice terraces, that are referred to as the 8th Wonder of the World. But in Nueva Vizcaya this practice is not known among farmers and had not been applied to agroforestry. EnterpriseWorks/VITA worked with the *Ifugaos*, who have organized themselves into a people's organization they call the Mutia Upland Farmers' Association (MUFA), to complete land use planning and forest conservation plans.



These seedlings will soon be outplanted within the CBFMA area to benefit more than 400 people. The first trees will bear fruit in about a year and generate over 1.1 million pesos in their first fruiting. Ten's of million of pesos of annual income will be generated once all the trees reach maturity.

narra (*Pterocarpus indicus*), ipil (*Instia bijuga*), molave (*Vitex parviflora*), kamagong (*Diospyros philippensis*), tindalo (*Azelia rhomboidea*), akle (*Albizia acle*), guava (*Psidium guajava*), caimito (*Chrysophyllum cainito*), santol (*Sandoricum koetjape*), citrus (*Citrus* sp.), coffee (*Coffea robusta*), banana (*Musa* sp.), among others. EnterpriseWorks/VITA assisted the group in combining *Ifugao* traditional terrace farming with modern agroforestry techniques - organic fertilizer application, potting medium mixing, potting, transplanting and maintenance. The modern techniques also included the preparation of a nursery business plan which allowed the group to access needed capital for planting stock from the Philippine Tropical Forest Conservation Foundation (PTFCF).



Manong Daniel Caligue, an *Ifugao*, tries a new planting technique, which incorporates organic fertilizer.

The nursery and agroforestry work came out of the land use planning and forest conservation process and are allowing the 400 people who live in the area to realize

the intent of the community forestry program – local forest conservation that supports sustainable livelihoods for those who protect and rehabilitate the Philippines' high biodiversity forests. The nursery provides access to indigenous timber and fruit trees, while the agroforestry planting techniques conserve vital ecosystems services (water, soil quality, carbon sequestration).

Since the establishment of the nursery, 33,718 seedlings of indigenous timber and fruit trees have been propagated. The native forest species include:



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Annex A

FY2007 GCP Learning Component:

Measuring socio-economic impacts of conservation interventions

African Wildlife Foundation

Summary of Progress:

AWF worked closely this past year with Enterprise Works-VITA on one of the primary GCP learning activities: Measuring socio-economic impacts of conservation interventions. The goal of this learning activity is to promote greater integration of socio-economic issues to inform conservation interventions and better measure socio-economic and conservation impacts at a landscape level. Collectively, significant progress was made under this activity this past year.

For this learning activity, AWF was tasked with testing socio-economic monitoring tools that have been designed in the context of conservation projects. AWF made good progress in designing and testing a refined methodology for deciding and measuring site-specific indicators of socio-economic impacts arising from AWF's work in Kenya.

AWF has a reasonably well developed overall PIMA M&E system, measuring capacity, activity and impact indicators at project, program and organizational level. It serves a number of internal and external purposes. However, to date, socio-economic parameters have only been actively integrated into one of five intervention strategies i.e. into enterprise work, and even these need revisiting. Plus the other four types of intervention (land, leadership & capacity building, research/species and policy work) also have socio-economic impacts. So we are now beginning to roll out a program of baseline socio-economic measurement across all key priority interventions and zones for each of 8 landscapes, using adaptations of the methodology developed through field testing at Samburu National Reserve.

Key aspects of the AWF protocol to improve socio-economic impact measurement include:

- All interventions with significant impacts (positive or negative) to be monitored.
- Indicators to be generated by those impacted, but to include indicators that can be aggregated.
- Baseline measurements at household level to be taken, with appropriate monitoring surveys every 2-5 years depending on site/indicators selected.
- Numbers of households surveyed and selection of households to be carried out in line with agreed best practice.
- Surveys to be carried out by trained enumerators from local communities, and interpreted with use of focal groups.

Key unanswered questions include:

- Will our measures give meaningful and useful results? Would 'story-telling' and more qualitative approaches yield different results?
- Will we be able to make this statistically significant and yet cost-effective? We're budgeting an average of \$5,000 per priority intervention/zone p.a.
- Will it be more effective to keep the process and expertise in house or to outsource (parts?) to local consultants?

Implementation Work Plan FY08 from EnterpriseWorks/VITA
for **LAG-A-00-99-00052-00**

The challenge now is to develop and adopt an AWF wide protocol for applying the methodology and to roll this methodology out widely through the program, continuing to test and revise both methodology and protocol as implementation proceeds. We have established an in-house team to move this important work forward into protocol adoption and methodology roll out. As part of these learning efforts, AWF also co-hosted an international workshop at Cambridge University, UK, to compare socio-economic impact methodologies and protocols across conservation NGOs. AWF's PIMA system is highly regarded as an innovative and practical approach to impact measurement by other conservation NGOs, who are keen to know of our latest thinking on measuring socio-economic impacts, which is an area both conservation and development NGOs continue to struggle with.

Methodology Development

This development process was led by Richard Hatfield of AWF which focused on designing a framework to be tested by AWF to explore conservation socio-economic impact assessment. This work consisted of three main parts:

- (i) Methodology: criteria, main features, and methods used
- (ii) Initial results for the case of communities bordering Samburu National Reserve, Kenya
- (iii) Issues, lessons learned, and moving forward

(i) Methodology. The main questions centred on: 'what are the conservation-related cost and benefit impacts, particularly at household level, and how significant are they?' Secondly, 'do impacts differ according to wealth/poverty status?' A key related question is 'how significant are non-financial impacts compared to financial impacts (i.e. financial vs. economic impact)?'

The methodology consists of 5 stages conducted through 2 rounds of fieldwork: (1) an RSIA (Rapid Social Impact Assessment), to determine relevant impacts at the household level (2) an HES (Household Economic Survey), to value the financial impacts identified by the RSIA (3) a PEV (Participatory Economic Valuation) conducted by each household to determine non-financial impacts identified by the RSIA (4) FDGs (Focal Discussion Groups) to validate results (5) Community Financials – to ascertain financial benefits/costs accruing to the community than household level. Stage 3 involves use a financial 'numaire' in order to link - and therefore equate in terms of value - financial impact values to non-financial impact values. The household sample was stratified by wealth group, with a sample equivalent of 30 households per wealth group (i.e. 120 households in the case of 4 different wealth groups, but weighted for percentage of households in each group - for example, 60 'very poor' households were surveyed if the 'very poor' made up 50% of the population).

(ii) Initial Results. In the Samburu National Reserve case, households incur a net loss of USD 1,430 (USD 1,300 in benefits and USD 2,730 in losses) on average per year. The community as a whole incur USD a net economic loss of USD 1.2 million annually (USD 1.4 million in benefits and USD 2.6 million in costs). Non-financial benefits outweigh non-financial costs by a factor approaching 2:1; non-financial benefits also outweigh financial benefits by a factor of 2:1. However, financial costs outweigh non-financial benefits again by a factor of 2:1, which make the former the main driver of net losses.

Out of the top-ranked 10 of 31 impacts valued across the community sample, negative impacts ranked 1 (livestock predation from wildlife), 2 (livestock disease transmission from wildlife), 3 (loss of grazing access due to the PA), 5 (loss of grazing quality outside the PA), 7 (loss of water access for livestock) and 8 (loss of access to timber and firewood); whilst positives ranked 4 (increased security for people), 6 (improved knowledge and exposure), 9 (road provision) and 10 (improved access to livestock markets). For perspective, PA-related ‘employment’ ranked 13, whilst ‘tourism-related income’ ranked 26.

Results also showed that all wealth groups suffered net losses, but that the richer wealth groups incurred the larger losses.

(iii) Issues, Insights and Lessons Learned.

- Even simple is complicated! Even in a simplified framework such as this, there are a myriad of technical issues, especially in arriving at absolute values.
- There is a real challenge in having households distinguish between (i) conservation impacts vs. other impacts and (ii) impacts on their households vs. on the community as a whole.
- Careful translation of surveys, enumerator training, and test practice are critical for quality control.
- The PEV was probably the most valuable component. As well as being an interesting exercise for households, it’s real value was perceived in articulating the relative magnitude of specific impacts, as well as weighing positives vs. negatives. It shows specific potential value both as a communication tool, and in informing how interventions might be modified for better results.
- The non-financial results are significant in magnitude.
- Absolute valuation is difficult. The choice of which financial ‘numeraire’ affects valuation – and hence significance - of financial vs. non-financial amounts quite markedly. This aspect requires more refinement.
- Poverty adjustment is required. Results for the wealth groups need to be ‘poverty-adjusted’ i.e. to ascertain significance of a household’s net loss compared to its ‘total income / welfare’. This recognises that although the richer households may be incurring larger net losses in absolute terms, smaller net losses may be having a greater impact on the poorer households.
- Valuation improves given multiple iterations e.g. first ranking before valuing; group settings for quality control, etc.
- Standard vs. situation-specific indicators. This methodology used a standard set of indicators. On reflection, it would have been more useful to also include site/project-specific indicators. For example, a mixture of project-specific and generic indicators could be developed and included at the RSIA stage. Such an exercise was carried out for this site, using a mixture of community-determined and AWF-determined indicators based on the project/intervention objectives.
- The scaling-up issue. Who are the community / target population to whom one is scaling up sample results? Are they one and the same?

Case Study: Assessment of the Costs and Benefits of The Samburu National Reserve, Kenya
(by Delphine Malleret-King and Richard Hatfield)

This local level assessment started in May 2006. Data were collected in two phases, first in May and second in November. The main objectives were to identify the most relevant costs and benefits of the Samburu National Reserve (SNR) to the surrounding communities and determine its net

marginal financial and non financial costs (or benefit) to these communities. Costs and benefits valued at the local level mostly include direct and indirect costs and benefits.

At the protected area (PA) level, the objective of the research was to investigate the PA from a business perspective and determine the net loss or net profit generated by the PA itself. This was to explore the potential capacity of the PA to share revenue to offset net costs to communities or offset inequitable cost distribution. At the local level and in the context of the Samburu National Reserve, the underlying questions were:

1. How are the Samburu National Reserve's local costs and benefits distributed between communities, within communities and within households, and what social, economic, political and governance factors influence this distribution?
2. What is the significance of any net negative cost of the SNR to local communities versus the costs of conservation incurred by the management authorities, and to what extent could the SNR itself, as a financial entity, address the costs to local people
3. How do local people perceive equity in the context of the SNR and how significant are non financial factors compared to financial factors?
4. In what ways, and under what circumstances, can protected areas contribute to reducing poverty?

The objectives of the national and global level assessments are to identify the total net economic value of the SNR at these levels. The underlying question being: how are costs and benefits of the SNR distributed between the local, national and global levels and what social, economic, political and governance factors influence this distribution?

A few summary indicative results are provided below on the assessment of the Samburu National Reserve local costs and benefits and the results of the SNR's financial analysis.

Table A *List of most mentioned positive and negative impacts.*

Top 10 positive impacts (N times mentioned, sample size = 157)	Top 10 negative impacts (N times mentioned, sample size = 157)
1. Security (118)	11. Wildlife security (attacks) (132)
2. Development of road infrastructure (86)	12. Loss of access to grazing (119)
3. Knowledge and skills (84)	13. Fines (105)
4. Livestock marketing (70)	14. Livestock productivity (68)
5. Illegal hunting (50)	15. Access to timber
6. Access to health and education (42)	16. Quality of the grazing, access to water for livestock, emigration (60)
7. School attendance (40)	17. Access to firewood (47)
8. Other income (36)	18. Access to gum arabic (46)
9. Access to transport (30)	19. Immigration (43)
10. NGO or partner support (27)	20. Access to household water, access to non timber products & time to do activities (36)

Table B Annual net benefit / costs accruing to different levels from SNR, based on 2005 visitor levels (\$USD M)

