

**Integrating Governance, Participation, and Sustainable Economic
Growth for Biodiversity Conservation in the Amboró-Madidi
Corridor**

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QUARTERLY REPORT – YEAR 4, QUARTER 2
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By

Conservation International-Bolivia
Calle 13 de Calacoto # 8008 (Casilla 13593)
La Paz, Bolivia

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I. Acronyms and Abbreviations

Note that the table is ordered alphabetically according to the versions of the abbreviations used in the text (the Spanish column). However, you will read in the narrative below that not all of the abbreviations use initials translated into English from Spanish, depending on the appropriateness of doing so.

SPANISH		ENGLISH	
ABC	Asociación Boliviana para la Conservación	BAC	Bolivian Associations for Conservation
AISI	Asociación de Inciensereros y Salayeros de Irimo	AISI	Association of <i>Inciensereros</i> and <i>Salayeros</i> of Irimo
ANMI	Área Natural de Manejo Integrado	NAIM	Natural Area of Integrated Management
AP	Área(s) Protegida(s)	PA	Protected Area
APA	Área Protegida Amboró	APA	Amboró Protected Area
APM	Área protegida municipal	APM	Municipal Protected Area
CAM	Corredor Amboró-Madidi	AMC	Amboró-Madidi Corridor
CDM	Clean Development Mechanism	MDL	Mechanismo de Desarrollo Limpio
CEATA	Centro Experimental de Asistencia Técnica Agropecuaria	CEATA	Experimental Center for Agricultural Technical Assistance
CEBEM	Centro Boliviano de Estudios Multidisciplinarios	CEBEM	Bolivian Center for Multidisciplinary Studies
CETEFOR	Centro Técnico Forestal	CETEFOR	Forestry Technical Center
CI	Conservación Internacional	CI	Conservation International
CIPLA	Central Indígena del Pueblo Leco de Apolo	CIPLA	Indigenous Central from Apolo's Leco People
CIPTA	Consejo Indígena del Pueblo Tacana	TIC	Tacana Indigenous Council
CONAE	Comité Nacional de de Apoyo al Ecoturismo	NEC	National Ecotourism Committee
CRTM	Consejo Regional T'simane Mosenen	TMRC	T'simane Mosenen Regional Council
CSF	Fondo Estratégico para la Conservación	CSF	Conservation Strategy Fund
DESSBOL	Desarrollo Social y Sostenible para Bolivia	DESSBOL	Social and Sustainable Development in Bolivia

EIBAMAZ	Programa Educación Intercultural Bilingüe en la Amazonía	EIBAMAZ	Amazon Intercultural Bilingual Education Program
FAM	Federación de Asociaciones Municipales	FAM	Federation of Municipal Associations
FAN	Fundación Amigos de la Naturaleza	FAN	The Friends of Nature Foundation
FESPAI	Federación Sindical de Productores de Abel Iturralde	FESPAI	Federation of Producers of the Abel Iturralde Province
FUNDESNAP	Fundación para el Desarrollo del Sistema Nacional de Áreas Protegidas.	FUNDESNAP	Foundation for the Development of the National System of Protected Areas
GNTTP	Grupo Nacional de Trabajo Participativo	GNTTP	National Participatory Working Group
IDEPRO	Instituto para el Desarrollo de la Pequeña Unidad Productiva	IDEPRO	Institute for the Development of Small Productive Units
INRA	Instituto Nacional de Reforma Agraria	INRA	National Agrarian Reform Institute
MEC	Ministerio de Educación y Cultura	MEC	Ministry of Education and Culture
ODL	Oficina de Desarrollo Limpio	CDM	Clean Development Mechanism
ONG	Organización No Gubernamental	NGO	Non-governmental Organization
PCP	Programa de Conservación de los Paisajes	LCP	Landscape Conservation Program
PDM	Plan de Desarrollo Municipal	MDP	Municipal Development Plan
PGTI	Plan de Gestión Territorial Indígena	PGTI	Indigenous Territorial Management Plan
PMOT	Plan Municipal de Ordenamiento Territorial	MLUP	Municipal Land Use Plan (sometimes referred to as a zoning plan)
PN-ANMIA	Parque Nacional y Area Natural de Manejo Integrado Amboró	NP NAIM-A	National Park and Natural Area of Integrated Management Amboró
PNANMI – M	Parque Nacional y Area Natural de Manejo Integrado Madidi	NP NAIM-M	National Park and Natural Area of Integrated Management

PNBS	Programa Nacional de Biocomercio Sostenible	PNBS	National Program for Sustainable BioTrade
PNCC	Programas Nacional de Cambios Climáticos	NPCC	National Program on Climate Change
PNUD	Programa Naciones Unidas de Desarrollo	UNDP	United Nations Development Program
POA	Plan Operativo Annual	AOP	Annual Operative Plan
PPD-UNDP	Programa de Pequeñas Donaciones – Programa de Desarrollo de las Naciones Unidas	SGP-UNDP	Small Grants Program United Nations Development Program
PRAIA	Programa Regional de Apoyo a Pueblos Indígenas de la Cuenca Amazónica	PRAIA	Regional Support Program to the Indigenous in the Amazon Basin
PROEIB Andes	Proyecto de Formación en Educación Intercultural Bilingües de los Andes	PROEIB Andes	Project in Intercultural Bilingual Education Andes
RAC	Red de Aprendizaje para la Conservación	RAC	Learning Network for Conservation
RB-TCO PL	Reserva Biosférica y Tierra Comunitaria de Origen de Pílon Lajas	RB-TCO PL	Biosphere Reserve and Pílon Lajas Indigenous Land
REDD	Reducción de Emisiones por Deforestación y Degradación	REDD	Reduction of Emissions from Deforestation and Forest Degradation
SERNAP	Servicio Nacional de Áreas Protegidas	SERNAP	National Service of Protected Areas
SAGUAPAC	Servicio de Agua Potable y Alcantarillado	SAGUAPAC	Water and Sewage Service
TCO	Tierras Comunitarias de Origen	TCO	Indigenous Lands
TROPICO	Asociación Boliviana para la Conservación	TROPICO	Bolivian Association for Conservation
UNICEF	United Nations Children's Fund	UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development	USAID	United States Agency for International Development
VPTA	Viceministerio de Planificación Territorial y Ambiental	VPTA	Vice-ministry of Territorial Planning and the Environment
VMT	Viceministerio de Turismo	VMT	Vice-Ministry of Tourism

II. Background

Conservation International (CI) is leading the development and implementation of the Bolivia Landscape Conservation Program (LCP). This four-year program, funded jointly by the United States Agency for International Development (USAID), CI, and Program partners, seeks to conserve the high biodiversity values of the globally-significant Amboró-Madidi Corridor (AMC), while promoting its sustainable development.

The AMC is part of the Tropical Andes Hotspot, a region stretching from western Venezuela to northern Chile and Argentina, including large portions of Colombia, Ecuador, Peru and Bolivia. This Hotspot is, in terms of species, the richest and most diverse region on Earth, containing about a sixth of all plant life in less than one percent of the world's land area. Extraordinarily high levels of species richness and endemism characterize the AMC in particular. Few other areas in the world can compare with its biodiversity; indeed, there are more than 5,000 plant species in Madidi National Park alone, which makes it the protected area with highest plant diversity on the South American continent.

Several urgent threats have, or could have, a negative impact on the sustainable development and conservation of ecosystems within the AMC, particularly: unsustainable agricultural and natural resource use practices, insufficient and inadequate local participation in protected area and natural resource management, weak democratic governance structures, policy frameworks and citizen disenfranchisement.

To address these threats, the LCP is organized into four (previously five) strategic objectives:

- I. Due to their operational similarities, Objectives 1 and 2 have now been synthesized into this single objective: Strengthen participatory local governance, increase economic opportunities and improve biodiversity conservation in both of the AMC Landscapes (Amboró-Carrasco and Apolobamba-Madidi-Pilón Lajas). However, the report is separated by objective to present their results individually.
- II. Objective 3: Strengthen the capacity of central government institutions to develop policies and technical tools that promote biodiversity conservation and sustainable economic development in the AMC as well as nationally.
- III. Objective 4: Promote knowledge management, learning and innovation on sustainable economic development and biodiversity conservation in the AMC.
- IV. Objective 5: Contribute to the development of knowledge, capabilities, attitudes and practices aimed at biodiversity conservation and sustainable use of natural resources in the AMC.

CI is carrying out the LCP in consortium with three Bolivian and one international non-governmental partner organizations. These are: Friends of Nature Foundation (FAN), the Federation of Municipal Associations (FAM), the Bolivian Conservation Association (TROPICO), and a fourth member, PACT, Inc. Each partner receives a sub-award from CI for the implementation of their work toward the LCP Objectives. The CI-FAN-FAM-TROPICO-

PACT consortium is a unique strategic alliance that takes advantage of each partner's distinct and complementary capacities. CI has worldwide experience in biodiversity conservation, the implementation of conservation corridors, and more than 12 years working in the AMC; FAN has scientific and technical capacities to develop eco-regional planning and 15 years of experience in the Amboró-Carrasco Landscape; FAM represents Bolivia's municipal associations and promotes the improvement of municipal capacities; TROPICO has implemented more than 60 projects and programs in several regions of Bolivia; and PACT, Inc. is a global leader in strengthening the capacity of grassroots organizations, coalitions and networks, and promoting knowledge management. In April 2008 PACT completed its participation in the project based on agreements reached with CI.

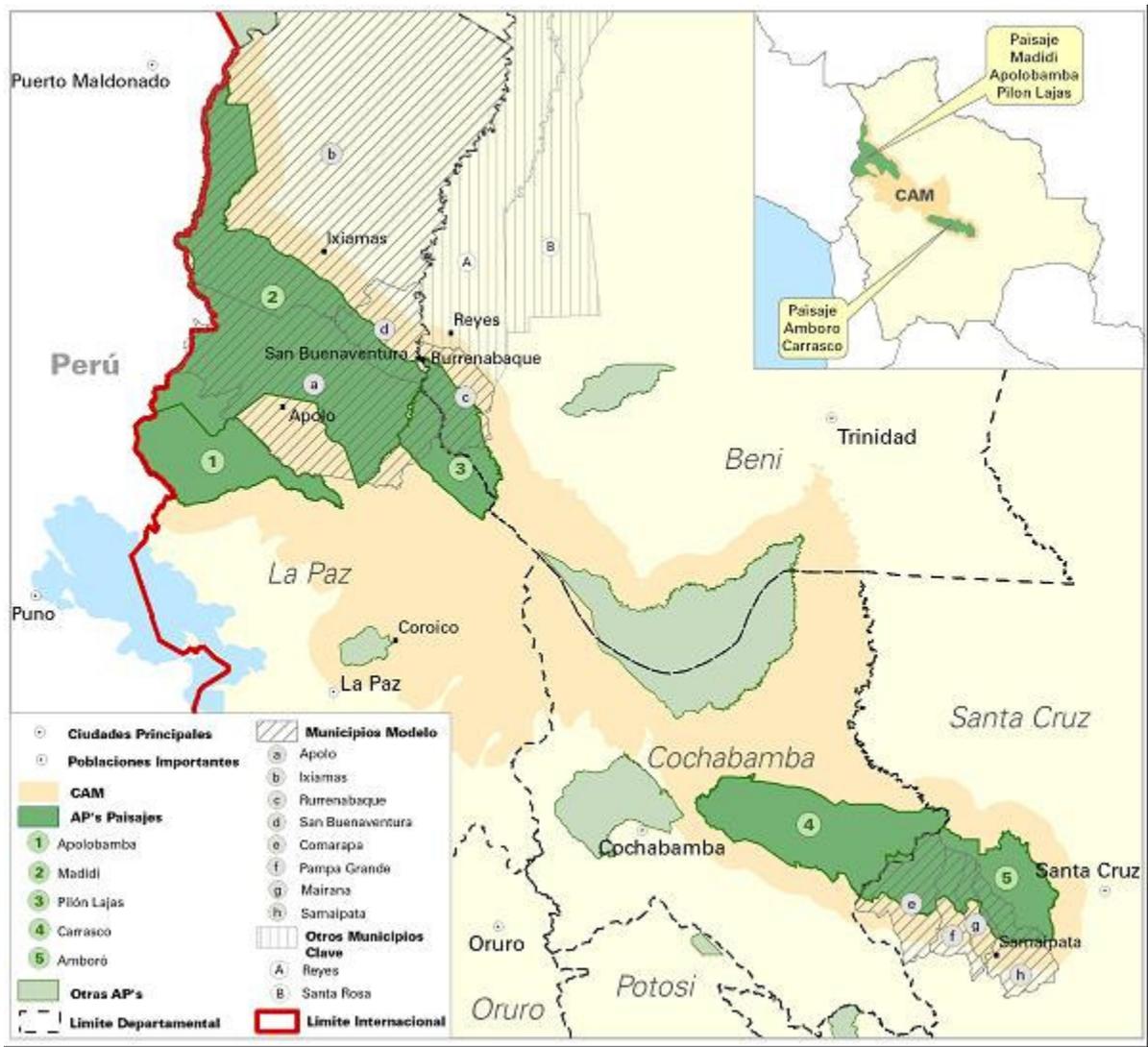


Figure 1: Map showing the location within the tropical Andes region of the LCP Landscapes (Paisajes), model municipalities, departmental boundaries, as well as the parks of the national system of protected areas occurring within the AMC (CAM by its Spanish initials).

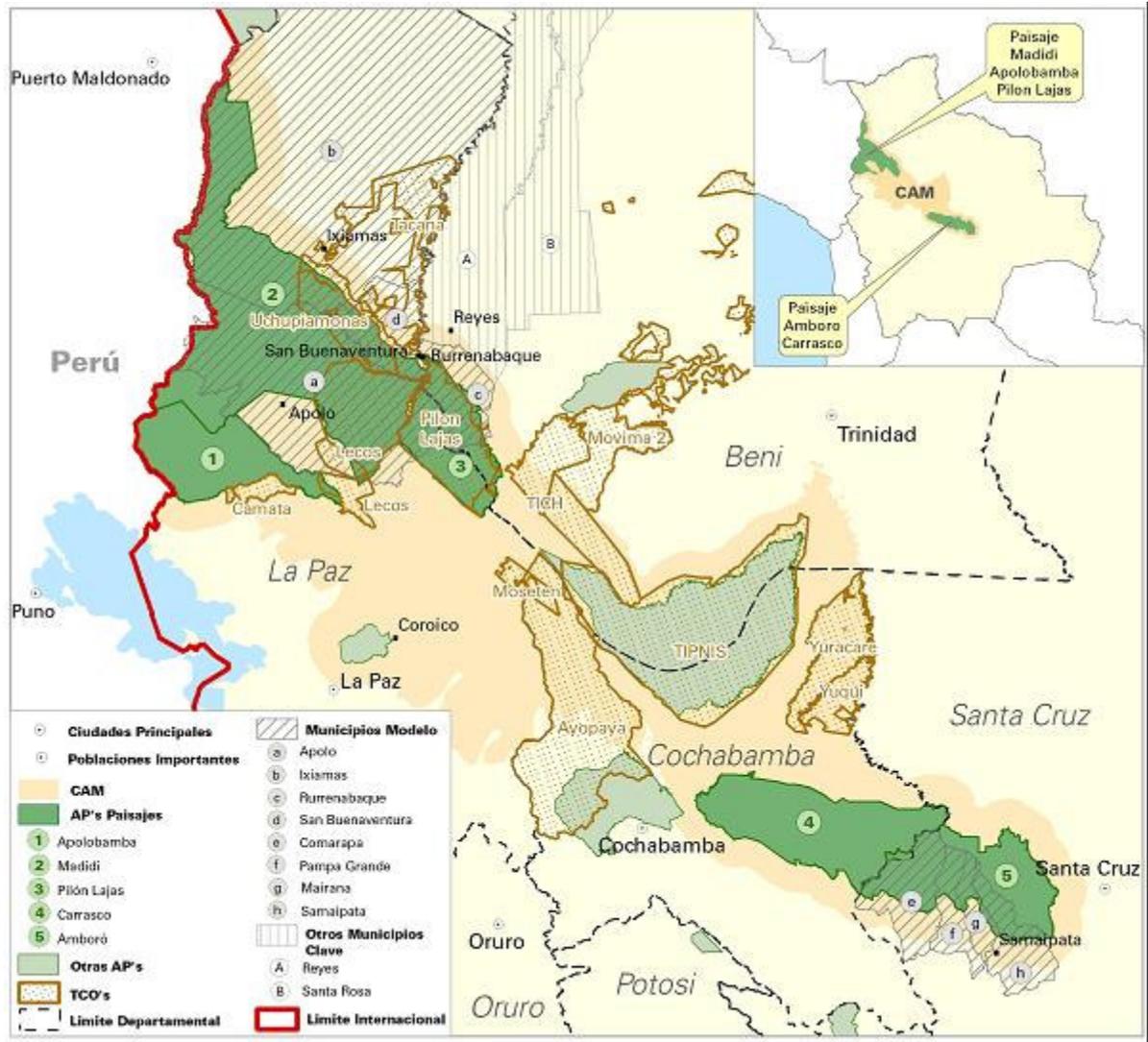


Figure 2: Map showing the location of the TCOs (Indigenous Lands) in relation to the AMC (CAM by its Spanish initials), the LCP Landscapes and model municipalities, as well as the national system of protected areas and departmental boundaries.

III. Executive Narrative

Implementation Achievements, Fourteenth Quarter

The Landscape Conservation Program (LCP) had a successful quarter, with most activities undertaken as planned. During this quarter, the major achievement was completing a study on the economic viability of sugar cane. This study is important because it shows a new vision of conservation and development, as it suggests that the sugar cane cultivation could contribute to conservation because it can be implemented in plots that have been previously used, and also keeps the agricultural frontier from expanding into the protected area.

Objective 1: Strengthen participatory local governance, increase economic opportunities, and improve biodiversity conservation in the Apolobamba-Madidi-Pilón Lajas landscape

To strengthen local participative governance, increase economic activities and improve biodiversity conservation in both Landscapes of the Amboró Madidi Corridor¹ (Objective 1), during the fourteenth quarter the project continued activities to:

- Harmonize Municipal Land Use Planning (MLUP) with planning instruments used at various levels (Protected Area Management Plans, Zoning in the Indigenous Lands Departmental Development Plans), with a focus on conservation developed. (Result 1.1)
- Develop indigenous territorial planning and capacity building in the Indigenous Lands of San Jose de Uchupiamonas and Lecos de Apollo, and develop a natural resources management plan in the Indigenous Land Pilon Lajas. (Result 1.2)
- Strengthen municipal capacities for local decision-making on natural resource management; management of municipal protected areas developed in the area of Pilon Lajas - Madidi - Apolobamba. (Result 1.3)
- Strengthen participatory governance of the protected areas in the landscape of Pilon Lajas - Madidi - Apolobamba and develop co-management mechanisms. (Result 1.4)
- Develop, implement and consolidate sustainable economic opportunities (ecotourism, handicraft production, forest products, etc.) in four municipalities and two Indigenous Lands in the area of Pilon Lajas - Madidi – Apolobamba. (Result 1.5)

Below are quarterly activities and results for each category:

Harmonize Municipal Land Use Planning (MLUP) with planning instruments used at various levels (Protected Area Management Plans, Zoning in the Indigenous Lands Departmental Development Plans), with a focus on conservation developed

During the fourteenth quarter, CI conducted two municipal workshops to present progress on the Municipal Land Use Plan (MLUP) in the municipalities of San Buenaventura and Ixiamas (Annex 4). CI also presented progress on the MLUPs at the congress for the Federation of Producers of the Abel Iturralde Province (FESPAI) and distributed documents on the MLUPs

¹ The Amboró Madidi Corridor comprises the Bolivian Section of the Vilcabamba-Amboró Conservation Corridor.

for each location to local and indigenous representatives. (Annex 5). CI also supported a local summit, attended by municipal experts and local representatives, to review implementation of the Annual Operating Plan for the municipality of Ixiamas. In the municipalities of Ixiamas and San Buenaventura, CI and CSF made progress on the study "Economic viability of sugarcane and wild cocoa production in the municipalities of San Buenaventura and Ixiamas." Progress on the study is as follows:

a) *Study of soil and a land suitability evaluation for the production of sugar cane.*

CSF completed the soil samples and their analysis. This soil analysis is the most comprehensive one since the 1970s, and shows the characteristics of soil in relation to crop types, particularly for the production of sugar cane and cocoa (Annex 6).

b) *Economic feasibility study for the implementation of a sugar mill and sugar cane crops.*

CSF completed an economic analysis on the production and processing of sugar cane, and initial results were submitted to a technical team for feedback. CI and CSF will present the results to local stakeholders during the next quarter. (Annex 7)

The project would be feasible if agricultural yields are reached under the assumptions (55MT/ha and 12.5% sucrose), and if the assumptions of deforestation are met the project would avoid the loss of 19,000 hectares of primary forest (28% of deforestation would be avoided) and the CO₂ emissions would be lower with the project. The feasibility will also depend on the ability of producers to purchase farm equipment (\$28,300 for every five families or 50 hectares of cane). Additionally, only if the government decides to invest \$85 million would sugar cane production be viable.

c) *Economic feasibility study for the extraction of wild cocoa.*

During this quarter, CSF completed the methodology design for gathering and reviewing secondary information. CSF will conduct field work in the next quarter.

Develop indigenous territorial planning and capacity building in the Indigenous Lands of San Jose de Uchupiamonas and Lecos de Apollo, and develop a natural resources management plan in the Indigenous Land Pilon Lajas

Technical staff and the indigenous representatives of San José de Uchupiamonas participated in a one-day workshop with representatives of the Tsimane Mosen Regional Council (TMRC), to learn from their experiences in land management. During the workshop, the TMRC shared results, methodology, approach and lessons learned from their experience in developing the Management and Life Plan for the Pilon Lajas Biosphere Reserve and Indigenous Lands. San José de Uchupiamonas will incorporate this information into the development of its Indigenous Land Management Plan (PGTI).

For the Lecos of Apolo PGTI, during this quarter a review of its 17 communities was completed, and land use conflicts at the communal level were resolved. The development of territorial pacts at the communal level to establish the management of natural resources is still pending. The group Indigenous Central from Apolo's Leco People (CIPLA) also conducted meetings with the National Service of Protected Areas (SERNAP) to establish agreements for a proposal on control and monitoring of areas that Madidi shares with indigenous lands. During this quarter, settlers in the region filed a complaint to stop the certification of indigenous lands

with the National Agricultural Court. Tensions between the indigenous Lecos peoples and the settlers exist because the settlers hoped to have access to properties that the Lecos people are currently seeking certification for as indigenous lands, from the National Agrarian Reform Institute (INRA), which would end the dispute over these lands.

Following official approval by the Ministry of Agriculture, Rural Development and Environment, the LCP agreed to support printing costs for the Pilon Lajas Management Plan. This management plan was supported by USAID funds prior to the beginning of the LCP, and was developed through a partnership between the Pilón Lajas Indigenous Land and Biosphere Reserve (RB TCO PL), WCS and CI. Also during this period, the Corregidor² of the TMRC assembly met to change its representatives. The newly elected president is Clemente Caimani, who is continuing previous activities. The TMRC and CI managed to arrange a common work agenda as a result of a meeting held between representatives of the TMRC and CI-Bolivia's Executive Director.

Strengthen municipal capacities for local decision-making on natural resource management; management of municipal protected areas developed in the area of Pilon Lajas - Madidi - Apolobamba

From October to December 2008, the NGO Bolivian Associations for Conservation (BAC) implemented actions to strengthen the municipal protected area (MPA) "Pampas del Río Yacuma," through the development of the MPA Board Statute. As part of this activity, BAC initiated training activities to create a technical unit for the Protected Area, which will enable the municipality to control activities within the PA. To share information with the population and promote the MPA, BAC produced 10 informative radio spots on tourism in the MPA and designed the MPA website. The municipality is creating an office for the PA in the next quarter that will house the technical unit. Furthermore, BAC and the municipal government of Santa Rosa have been reviewing and improving the previous regulation for tourism operations in the MPA, to include updated information on infractions and sanctions. Also, the MPA the BAC began to redesign the infrastructure of the shelters for tourists that are operating in the MPA, which will improve ecotourism services within the MPA.

Also, during this quarter CI and BAC continued the strengthening of the Los Santos Reyes Municipal Protected Area, planning the activities for the development of a governance system and the promotion of tourism in the area.

Strengthen participatory governance of the protected areas in the landscape of Pilon Lajas - Madidi - Apolobamba and develop co-management mechanisms

In RB TCO PL, the Tsimane Mosen Regional Council (TMRC) has not reported progress due to changes in its representatives; to date, the entire leadership has changed. However, there is a commitment by the new leadership to continue the process. In the next quarter, the TMRC is planning a meeting of its Management Committee, Interinstitutional Committee and Corregidor Assembly to present the co-management proposal and subsequently submit it to SERNAP.

² A corregidor is a chief magistrate.

In the last quarter, the Apolobamba protected area co-management mechanism was completed by FUNDESAP, in coordination with leaders of the Apolobamba Protected Area. A final report was completed by FUNDESAP and submitted to CI. The co-management system is being implemented by the protected area's Director.

During this quarter, there was no significant progress made by the LCP in the Madidi protected area.

Develop, implement and consolidate sustainable economic opportunities (ecotourism, handicraft production, forest products, etc.) in four municipalities and two Indigenous Lands in the area of Pilon Lajas - Madidi – Apolobamba

For the "Sustainable management and exploitation of the majo (*Oenocarpus batana*) fruits" project in the community of Irimo (Lecos Apolo TCO), during this quarter CI and RENACE decided to continue the program with a second subgrant to support the project, with direct financial investment from CI for the Association of Inciensereros and Salayeros of Irimo (AISI), mainly to develop a business plan for developing products using majo and introducing them into the marketplace. A consultant was selected by RENACE to develop this work. Unfortunately, the rainy season was very pronounced in the area, which impaired progress on the project. In the next quarter implementation will continue and make up for lost time.

For the "Madidi Palms II - Sustainable Use of Fruits of Palms in the Area of Influence of NP and NAIM Madidi Project," during this quarter, the NGO, CEATA did not make significant progress on the project, because the proposed match by the beneficiaries in the project (residents who use fruits of palm) is not yet in place. However, the LCP will support the development of a business plan, jointly with the Irimo plan on majo mentioned above, on introducing the product into the marketplace.

The NGO Social and Sustainable Development in Bolivia (DESBOL) and CI designed the project "Management and sustainable use of wild cocoa (*Theobroma cacao*) stands in the municipalities of San Buenaventura and Ixiamas." Three activities have been completed for this project: a) a distribution map of wild stands completed; b) business management capacities for beneficiaries built for the management of wild cacao; and c) a business plan developed.

Based on DESBOL's positive initial results, CI agreed to continue investing in the following: a) improving the post-harvest process; b) identifying market niches for specialized wild cocoa; and, c) creating a marketing system for indigenous suppliers and international companies.

Additionally, to increase the scope of the program, CI and the Nuevo Norte Foundation are supporting discussions on cocoa and market testing for wild cocoa in partnership with El Ceibo (cooperative of cocoa producers). Involved participants plan to use one ton of cocoa to create a new high-quality product as a market test to identify the interest of consumers and intermediaries in a product that comes from an indigenous group that preserves the forest and species where wild cocoa grows.

In reference to the "Pilot project for the sustainable use of natural resources of innovative initiatives to help strengthen capacities of indigenous communities in the TMRC RBTCO – PL," implemented by the alliance TMRC, PACT, SGP – UNDP and CI, during this quarter there has

been no significant progress due to changes in the TMRC representatives. To get back on track, CI held meetings with the new leaders and expects to resume this process in the next quarter.

A consultant was hired to develop business plans mentioned above, and also to develop a business plan for the handicraft organizations Rhema and Nuevos Horizontes. Also, artisans from these handicraft organizations attended the Forest - Wood & Technology Fair "EXPOFOREST 2009" in the city of Santa Cruz, with considerable success. The FAN exposition stand, which included LCP and other programs, won the first prize as the Best Fair Stand.

Regarding the Conservation and Development Program (C & D), the FAM completed the project proposal selection in the municipalities of San Buenaventura and Rurrenabaque. In Ixiamas, the C & D program approved the project "Management and sustainable use of palm fruits of majo, asai and chonta in the municipality of Ixiamas." This work on the sustainable use of palm fruits will be valuable, as it includes the municipality's efforts to manage natural resources sustainably and promote investments in biodiversity conservation.

Regarding the destination management initiative called "Green Destination," CI and the La Paz – Beni Destination General Organization (OGD) continued developing the value chain analysis. The evaluation of the tourist destination system through a value chain analysis (market, products, services, tourism, infrastructure, superstructure and macro environment) has progressed through interviews with stakeholders and definition of further steps needed for the development of consultative workshops. Also, the OGD presented the results of the analysis for the development of a marketing strategy for the La Paz – Beni destination, with support from the Swiss Cooperation that has experience in developing destinations. For the destination's monitoring system, the mayor of Rurrenabaque is interested in leading this process, so OGD is no longer involved. In the next quarter, the system will be implemented by the municipality. It will provide information to local users on the market characteristics and customer satisfaction.

The OGD has continued to support local entrepreneurs through an evaluation and presentation on funding opportunities for small businesses. For this purpose, the OGD hired the Institute for the Development of Small Productive Units (IDEPRO) due to its expertise in the area. Also, the OGD continued training activities for the guides. To date, the OGD has developed modules for: Operations Safety, Introduction to Tourism and Interpretation, Natural Heritage, Cultural Heritage, Public Relations and Marketing; two additional modules will be developed: Tourism Best Practices and Tourism in Protected Areas. Furthermore, the Guides Association of Tourism and Wildlife has completed a process for obtaining legal status. We expect that in the next quarter the prefecture³ of Beni will provide final resolution to this issue.

CI has approved LCP funding to support the project for strengthening the Alliance of Community Ecotourism Initiatives. The alliance has developed an agreement with the Amazonas airline to begin developing a marketing package, and the Alliance has re-opened its sales and promotion booth at the airfield in Rurrenabaque. Promotional materials will include offers by the Alliance members.

³ **Prefecture** indicates the territorial extension of a Prefect. In Bolivia the territorial extension of a prefect is a department which has several municipalities within it. Prefects are installed as governors.

The San Miguel del Bala Ecodge, managed by the Tacana indigenous people, continues to operate and the LCP continues to provide technical monitoring support. After a visit to San Miguel by USAID environment program representatives, Ricardo Roca and Holly Ferrett, the LCP will support marketing for this product through CI.

Objective 2: Strengthen participatory local governance, increase economic opportunities and improve biodiversity conservation in the landscape Amboró - Carrasco

During the fourteenth quarter, FAN continued activities to:

- Improve territorial planning, using planning instruments at various levels (e.g. Protected Area Management Plans, Departmental Development Plans and Municipal Land Use Plans), with a focus on conservation. (Result 2.1)
- Support institutional management capabilities between municipalities and strengthen protected areas. (Result 2.2)
- Promote economic initiatives friendly to biodiversity conservation. (Result 2.3)
- Support the establishment of the southern limit of the Carrasco National Park. (Result 2.4)

Improve territorial planning, using planning instruments at various levels (e.g. Protected Area Management Plans, Departmental Development Plans and Municipal Land Use Plans), with a focus on conservation

During this quarter, FAN completed the MDP's for Comarapa and Mairana, based on the territorial definitions in the MLUP. As mentioned in the last report, the Municipal Council of Mairana approved the MDP through Municipal Ordinance, which validates this instrument. However, the MDP of Pampagrande received no support from FAN during this quarter due to the municipality's political instability. In the next quarter, FAN will resume communications with the municipality and expects to resume institutional strengthening activities.

After completing the Management Plan for the San Isidro basin, the FAN continued disseminating the watershed management plan to the involved communities, and expects community leaders to approve the document once all those directly involved know the results. Regarding the El Chape basin, FAN began disseminating the watershed management plan, and aims to collect comments. Once the comments are addressed, FAN will submit the plan to municipal representatives to gain final approval.

During this quarter, the organizational phase of the MLUP for the municipality of Buena Vista was completed. This included the development of a methodology and work plan, signing of agreements, recruitment of a multidisciplinary technical team and an assessment of all the existing secondary information needed to define informational gaps and to develop additional information gathering instruments. This information was presented to 80 individuals from the municipality during a socialization workshop held by FAN.

Complementary to the territorial planning activities, FAN developed a methodology to conduct a Municipal Environmental Action Plan (MEAP) in the municipalities of landscape 2. FAN proposed a methodology for the municipality of Samaipata, and held a meeting to present the

MEAP methodology, which was attended by representatives from the municipalities of Comarapa, Pampagrande, Mairana, Samaipata and Buena Vista. Attendees included: one mayor, five city councilors, eight municipal technicians and two regional technicians. The drafting process for the MEAP will begin in the municipalities of Samaipata and Mairana in April 2009, and in Buena Vista, the MEAP is being drafted jointly with the MLUP.

FAN continued coordinating territorial planning activities for the municipalities in the southern region of the Amboró Protected Area (APA). FAN's technical team, along with municipality representatives, held meetings with the Director of the Amboró, who expressed interest in developing the PA's Management Plan, which will be incorporated into the zoning for the municipalities in the southern region of the APA. Despite the good intentions of the APA, there are disagreements between the Director of the PA and some mayors of the southern region of the APA, which are hindering the process. The LCP is aware that its role is not to resolve such tensions, but rather aims to provide support on this issue to allow those involved to come to agreement on the subject.

Regarding the development of MDPs in the municipalities of Mairana and Comarapa, these plans have been approved by the City Council. The plans will be implemented by the municipalities and FAN will provide technical assistance for the activities related to biodiversity conservation and management of natural resources.

Based on the communications strategy developed for landscape 2, FAN has continued implementing communications activities that aim to promote best practices for biodiversity conservation. FAN has used mass media, such as radio and print media, for these efforts. Fourteen radio programs have been broadcast during this quarter. In addition, FAN created an informative booklet to support communications activities in Comarapa. This booklet will be distributed to representatives of relevant institutions and communities. Furthermore, a video produced by FAN, "Nature: Learning to Conserve," was shown in the following communities: Piedras Blancas, Samaipata, Comarapa, Capilla, Valle Hermoso, Palmasola and Santa Rosa de Lima, with a total audience of approximately 140 people. Finally, FAN presented the economic initiatives supported by the LCP in two major exhibition fairs, *Expoforest* and *Expovalles*, with participation by the program beneficiaries.

Support institutional management capabilities between municipalities and strengthen protected areas

Regarding environmental standards, during this quarter the municipalities of Comarapa, Pampagrande, Samaipata, Mairana and Buena Vista began using the compilation of environmental regulations developed and distributed by FAN. In Comarapa, the municipal technicians began to follow the environmental regulations for the management of waste from pig and chicken farms. Also, FAN produced a television spot with the municipal government of Mairana, which communicated environmental problems and actions people can take to address them.

During this quarter, FAN developed plans to strengthen Municipal Environmental Units for the municipalities of Samaipata, Mairana and Comarapa. FAN submitted these plans to local authorities, technicians and representatives, and they should generate an environmental agenda for the municipalities, which include investing in biodiversity conservation.

FAN developed a project for the urban areas of the municipalities of Samaipata and Mairana promoting the use of "green bags" (cloth bags), instead of plastic bags, among its residents. The project is being conducted by the Philanthropy unit of FAN as a part of the cost-share for the LCP, and 2,200 homes in these municipalities will receive the green bags. FAN prepared a document "Use of green bags in the municipalities Mairana and Samaipata" to present as part of the project to the municipality of Mairana, which has agreed to provide \$10,000 in matching funds. In Comarapa, FAN held a fundraising interinstitutional coordination meeting to implement a Plan for Environmental Education.

Promote economic initiatives friendly to biodiversity conservation

During this quarter, FAN provided technical assistance to the municipality of Comarapa in three areas: replanting of forest species, management of orchards and conservation of soil and water. As a result, FAN reforested approximately 1,000 species of forest plants in agroforestry plots. In addition, FAN supported the establishment of 9 hectares of agroforestry systems (combined production of apples with forestry plantations). The financing and technical assistance for this project is being developed in partnership with the Fruit Development Foundation (FDF).

FAN also conducted more than 10 visits per beneficiary to provide assistance in the preparation of soil conservation structures: terraces, level curves and ridges; 15 hectares have been analyzed and structures for soil conservation have been designed; and 8 hectares of agroforestry plots have soil conservation structures.

FAN's work requires training processes and technical support to be effective. Therefore, this quarter FAN conducted the following trainings:

- Training in management and conservation of soil (20 participants).
- Training in establishing fruit orchards (22 participants).
- Field trip to Vallegrande for training in fruit post-harvest (27 participants).
- Training on preparation of terraces and ridges (12 participants).
- Field trip to Capilla for training in the management of soils and structures (16 participants).
- Training and preparation of organic manure (20 participants).

The agroforestry systems that have been established require a business plan that meets beneficiaries' economic vision that will be developed in the next quarter. Also, FAN began exploring a more suitable business organization for the agroforestry systems, since they are not currently conventional companies. This process has not been finalized because the beneficiaries have different expectations on how to organize a productive unit. Next quarter, the beneficiaries will define the most suitable business organization for the agroforestry systems.

During this quarter, FAN completed the development and adoption of Rules and Regulations for the honey production association in Mairana. In the next quarter, the Association and FAN will begin the process of obtaining legal status and verifying the functions of each member of the Association. There are delays in this process because the beneficiaries of the beekeeping project are focused on defining their land ownership (i.e., the extensions of their properties). In Samaipata, the beekeepers determined that there would be no additional benefits from creating

an association, because all of their production is marketed locally and because the relatively low production volume does not justify the establishment of an organizational mechanism.

During this quarter, FAN completed an evaluation for the activity strengthening tourism management in the Samaipata, Mairana, Comarapa and Pampagrande destinations. Two planning workshops were held in Comarapa and Samaipata, where the evaluation was validated, and information was collected to develop a strategic plan for tourism management. The workshops were well attended by local representatives of the prefecture and other private organizations. Also, FAN and local stakeholders defined characteristics for tourism products in the Santa Cruz valleys. As a result of the second tourism planning workshop, FAN supported the creation of a Tourism Promotion Committee, to help advance tourism activities. The members of the committee are local entrepreneurs in tourism, representatives of the involved municipalities, tourism associations, and others.

Support the establishment of the southern limit of the Carrasco National Park

The establishment of the red line in the Carrasco National Park (CNP) has progressed consistently. However, in the Yungas region of Arepucho (in the southern area) a conflict resulting from coca cultivation caused delays in the demarcation process.

After the follow-up meeting held with CI, FAN, CNP and FUNDESNAPE on September 19 2008, the deadline for implementing the delimitation was extended until July 2009. Also, additional resources to strengthen the process were committed by FAN and CI (with LCP funds).

Objective 3: Strengthen the capacity of central government institutions to develop policies and technical tools that promote biodiversity conservation and sustainable economic development in the AMC as well as nationally

To strengthen the capacity of central government institutions to develop policies and technical tools that promote biodiversity conservation and sustainable economic development (Objective 3), during this quarter the project continued activities to:

- Work with the tourism sector to develop policies, laws and information to create a favorable environment for the sustainable growth of ecotourism. (Result 3.1)
- Work with the government to generate policies, rules and information for bio-commerce and environmental services accounting. (Result 3.2)
- Prepare policies and laws to improve PA management in Bolivia. (Result 3.3)
- Develop policies and laws to improve land use planning so it favors biodiversity conservation and sustainable economic development. (Result 3.4)
- Develop Institutional framework to favor biodiversity conservation at the municipal level (Result 3.5)

Work with the tourism sector to develop policies, laws and information to create a favorable environment for the sustainable growth of ecotourism

During this quarter, the government appointed a new Vice-minister of Tourism (VMT). A meeting was held between CI and the Vice Minister's technical staff, and two technical issues were identified: a) developing a national curriculum for local tourism operators and b) designing a "Green Destination" concept for other regions of the country. For the development of the first agenda item, CI, the VMT and the OGD made an open call for consultants. The second agenda item was postponed and is subject to a future meeting with the Vice Minister.

The VMT and CI intend to sign an agreement or letter of intent to develop a joint proposal for the development of destinations that have the potential for conservation, based on the Green Destination experience. VMT and CI held a meeting, during which the VMT asked that this process be postponed, due to the change of Vice minister. CI will likely have to restart negotiations on the proposal to resume the process. Furthermore, the VMT decided to develop a new tourism law and hired a consultant to complete a proposal for this law. CI expects to provide input on the advantages of ecotourism.

The National Committee to Support Ecotourism (CONAE) is focused on completing a draft report of the Third Ecotourism Summit. This has been delayed because it is being edited by two committee groups – one in Santa Cruz and the other in La Paz. The document will be finalized in the next quarter.

Work with the government to generate policies, rules and information for bio-commerce and environmental services accounting

This quarter, the Natura Foundation submitted a final report to CI on the first phase of the project to promote the compensation model for environmental services in Amboró-SAGUAPAC (Annex 8), as well as a project proposal for a second phase (Annex 9). CI and the Natura Foundation agreed on the scope and products for the project; budget details are in final review. Funds to support this process were approved by USAID in late 2008.

The LCP, through CI, supported a new Reduction of Emissions from Deforestation and Forest Degradation (REDD) Technical Committee meeting on January 15, 2009 (Annex 10). During this meeting, the government's Clean Development Mechanism (CDM) office presented the results of an economic study on the potential for REDD in Bolivia. This study is an important stepping stone for the development of a national REDD process. (Annex 11)

The National Program on Climate Change (NPCC) operates under the new Ministry for Water and Environment, which is currently being restructured. As a result, REDD Technical Committee activities have stopped, and CI is waiting for them to resume once the restructure of the NPCC is complete.

Finally, during this quarter CI held meetings with the Forestry Technical Center (CETEFOR), TMRC, and FUNDESNAP to begin a REDD pilot activity in landscape 1.

Prepare policies and laws to improve PA management in Bolivia

During this quarter, CI and SERNAP drafted a framework agreement to develop policies and laws to improve PA management in Bolivia. CI expects SERNAP to define the working areas that will receive support from the LCP in the next quarter.

Develop policies and laws to improve land use planning so it favors biodiversity conservation and sustainable economic development

Last quarter the FAM and the Viceministry of Territorial Planning and Environment (VPTA for its acronym in Spanish) completed the following products: an adjusted land use guide, a biodiversity booklet, a compilation of regulations concerning land use, and a methodological proposal for land use planning which should be approved by a Supreme Decree to replace the actual Decree No. 217075. To date the Supreme Decree to approve the land use planning methodological proposal is still pending.

Develop Institutional framework to favor biodiversity conservation at the municipal level

During this quarter, FAM decided to develop a strategy for the establishment of an Environment and Sustainable Development Unit (ESDU) within its organization to support all the municipalities associations in environment and sustainable development issues. FAM hired a consultant to define the guidelines for this unit.

FAM has continued managing the Green Fund⁴ and has a total of \$105,000 in municipal matching funds to finance projects for biotrade, municipal protected areas and ecotourism. The fund has attracted interest from other donors that are interested in supporting the process.

FAM presented the complete design of the Green Fund to USAID, and also to the Dutch, Danish, and Swiss cooperation. The fund has raised interest among donors, but has not yet succeeded in attracting funding.

The Green Fund has prioritized the following projects: the “La Playita” tourism project, in San Buenaventura; the “Strengthening of the Tourist Operation in the Caquiahuara Sanctuary in the municipality of Rurrenabaque” project; the “Construction and Equipment a Tourism, Culture and Crafts Center in the municipality of Reyes” project in Reyes; and the “Construction of the Ecological Lodge Pampas del Yacuma” project in Santa Rosa de Yacuma.

Objective 4: Promote knowledge management, learning and innovation on sustainable economic development and biodiversity conservation in the AMC

To promote knowledge management to learn and innovate on sustainable economic development and biodiversity conservation in the AMC (Objective 4), during this quarter the project continued activities to:

⁴The Green Fund is a financial mechanism designed by FAM, with the support of the LCP, to attract investment from international cooperation for conservation and development projects.

- Establish the Learning Network for Conservation as a mechanism for virtual exchange within the consortium, intra-institutional learning, and the exchange and organization of LCP experiences. (Result 4.1)
- Analyze results and compile lessons learned on conservation of biodiversity, natural resources and economic development experiences, from activities implemented with support from the LCP. (Result 4.2)

Based on recommendations from the mid-term evaluation, CI hired the NGO National Participatory Working Group (GNTP) to develop activities for this objective, in the areas of lessons learned, exchange of experiences and dissemination of knowledge.

Establish the Learning Network for Conservation as a mechanism for virtual exchange within the consortium, intra-institutional learning, and the exchange and organization of LCP experiences

The Bolivian Center for Multidisciplinary Studies (CEBEM) made 75% progress on the database Learning Network for Conservation (RAC), and it will be completed in the next quarter. The RAC already allows users to store information as a virtual library and exchange views on conservation and development, and soon will allow donations to be made online.

Major progress was made in the visual and typographical portion of the site, and the integration of a relational database with graphic design is being developed. CEBEM made final modifications to the graphic portion of the site, debugged the database developed by Pact and uploaded information from CEBEM's virtual library. Also, CEBEM completed the computer programming that supports the RAC. There were some initial delays in this activity because CEBEM had to rewrite the site in a programming language that is compatible with all the other sites it manages. The site is in the last design phase and will be released to the public in the next quarter.

To date, the RAC has a mechanism for users to make donations online using Paypal. However, this mechanism has not been promoted because CEBEM has to define a mechanism and legal terms for monitoring and using the donations, as Bolivia has no regulations on this topic.

Both communities of practice, the National Committee for Support of Ecotourism (CONAE) and the Alliance of Indigenous Ecotourism Initiatives, have continued with their activities. The CONAE continued editing the notes from the Third National Ecotourism Summit. The alliance succeeded in attracting new members and continued implementing its agenda in the following themes: a) strengthening capacity; b) promotion and marketing; and c) institutional framework for indigenous entrepreneurs.

Analyze results and compile lessons learned on conservation of biodiversity, natural resources and economic development experiences, from activities implemented with support from the LCP

The LCP did not have a clear definition of knowledge management and each partner had its own understanding of the concept. To address this issue, the GNTP proposed a definition of knowledge management based on the criteria of LCP managers and technicians. GNTP also conducted an analysis to identify new learned lessons in the implementation of the LCP. The

results of this analysis were presented to the LCP board, and they recommended these new priorities be implemented quickly.

The GNTP now has a draft version of the lessons learned analysis of the Indigenous Educational Project and the Municipal Participative Management Model. Discussions have taken place with CI on updating the Green Destination analysis, and an agreement was reached that CI will review the text first. Also, GNTP is updating the draft analysis of the productive projects and will include the issue of biodiversity conservation in the formal and non-formal educational analysis, with new inputs received from CI and Trópico.

At a board meeting of the LCP consortium, GNTP shared information on the themes, concepts and usefulness of knowledge management, and this information was well received by the board. During the board meeting, the LCP raised the need to articulate learned lessons in the program's communications strategy, to better disseminate the program's results to external audiences. Finally, GNTP presented information on the redesign of the process and results for objective 4. (Annex 12)

During this quarter, CI and GNTP conducted a workshop in Rurrenabaque for the first exchange of experiences, and prepared a draft report on this workshop (Annex 13). GNTP is also planning an exchange activity in landscape 2, to be held in April 2009, in Comarapa. GNTP has hired consultants to identify lessons learned and facilitate the workshops.

Objective 5: Contribute to the development of knowledge, capabilities, attitudes and practices aimed at biodiversity conservation and sustainable use of natural resources in the AMC

To contribute to the development of knowledge, capabilities, favorable attitudes and practices geared toward biodiversity conservation and the sustainable use of natural resources in the AMC (Objective 5), during this quarter the project continued activities to:

- Incorporate concepts of biodiversity conservation and the importance of the AMC into the departmental and national education systems. (Result 5.1)
- Develop Nucleus and Indigenous Educational Projects that deal with local environmental problems and the importance of the AMC. (Result 5.2)
- Develop non-formal educational instruments and activities. (Result 5.3)
- Develop activities and disseminate products of the LCP communications strategy to the general public. (Result 5.4)

Incorporate concepts of biodiversity conservation and the importance of the AMC into the departmental and national education systems

CI did not progress significantly on incorporating concepts of biodiversity conservation into the AMC national and departmental education systems, due to an absence of curricular guidelines definition by the Ministry of Education and Culture (MEC). To date, the MEC has no institutional policy to promote this outcome, as proposed in the original project. During this quarter, CI held meetings with the CRTM, the Project on Intercultural Bilingual Education Andes (PROEIB Andes) and Trópico, on supporting the implementation of the Tsimane curriculum. As a result of these meetings, the participants agreed to pursue the implementation

of curricula developed by PROEIB Andes. PROEIB Andes specializes in the development of educational instruments for indigenous people. Funding for this process was discussed with USAID, and is undergoing the approval process.

Regarding training for student teachers of Higher Education Institutes (HEI), during this quarter no training activities took place. However, training activities will be developed, beginning in the second quarter of 2009 and continuing through the end of the LCP, as requested by the authorities of the HEI.

Develop Nucleus and Indigenous Educational Projects that deal with local environmental problems and the importance of the AMC

Finally, Tropico designed four Nucleus Education Projects (NEP) in the departments of La Paz, Beni and Santa Cruz (Ixiamas, San Buenaventura, Rurrenabaque and Mairana, and one Indigenous Education Project (IEP) for the Tsimane-Moseten, for educational establishments within the Pilon Lajas BR-TCO. Three of the NEPs have been implemented successfully (Ixiamas, San Buenaventura and Rurrenabaque) and the other two (Mairana and Pilon Lajas) are awaiting funding approval by the Ministry of Education and Culture. Tropico has pursued the funding committed by the Ministry of Education and Culture (MEC), but unfortunately the MEC has not initiated funding the projects yet.

Develop non-formal educational instruments and activities

In landscape 1, Tropico initiated a process to develop a new version of the Green Tent (GT). The Green Tent uses educational games and presentations to teach about biodiversity conservation. A pilot version of the games have been created and will be tested and put into operation in the upcoming quarters. The old version of the GT also continued with 14 presentations reaching 329 children.

In landscape 2, as part of the Green Tent activities, FAN trained teachers in the subjects of waste management, water pollution, burning of grasslands and the Amboró Protected Area. Likewise, six games created by teachers from Mairana are currently being designed and printed by FAN.

Tropico also supported the design of the Pilon Lajas RB-TCO Interpretation Center. During this quarter, Tropico completed the craftsmanship of carving, weaving, animal tracks in wood, plants and animal models, tables and chairs to be exhibited, and began developing educational material for the exhibits. In landscape 1, Tropico completed the design of a monitoring tool to help increase knowledge of the Caquahuara Interpretive Trail. Tropico also continued taking teenagers and prominent leaders from the Educational Centers of the municipalities of San Buenaventura and Rurrenabaque to the interpretative trail. During this quarter, three groups of 25 students and two teachers visited the trail.

In the Yunga trail of landscape 2, FAN, based on a script that highlights the benefits of the rain forest, designed signs to mark trail stops and began developing educational booklets for teachers and students.

Regarding the operation of ecoclubs in landscape 1, Tropico continued implementing the "Environmental Patrol" and "Puppets" awareness projects. The Environmental Patrols made six presentations in public places and Puppet shows were held in four schools. Also, two training workshops were held for Ecoclubs on "Language of images and ways of expression" and "Educational techniques for work groups and environmental education."

In landscape 2, FAN organized meetings with the Samaipata ecoclub to discuss internal organizational structure. The ecoclub now has a structure of accountability, with a President, Vice President, Treasurer and Secretary in place. Also, the Samaipata ecoclub identified several environmental problems in the area and decided to address the problem of the excessive use of plastic bags. FAN organized a lecture on plastic bags by Luca Spinoza, author of the comic book, *The plastic bags invasion*. This activity was also extended to 12th grade students of the Augustine Saavedra High School; approximately 50 students attended the lecture.

Develop activities and disseminate products of the LCP communications strategy to the general public

During this quarter, the LCP continued implementing its communications strategy. The most important achievements of this process are:

- Presentation of Expoforest, an annual fair that exhibits sustainable forest management experiences, and is held in the city of Santa Cruz, with exhibitors from all over the country
- Press Management for the Expoforest by FAN (Annex 14)
- Information on projects for the Expoforest
- Press coverage in *La Razón* newspaper, Onda Local radio and *Mi Tierra* magazine
- Information kit about the LCP and CAM completed

During the Expoforest, the consortium members of the LCP were able to join their efforts to present five productive initiatives: wood crafts with the Rhema Producers Association; ecotourism with the Alliance of Indigenous Ecotourism; Jipi Japa handicrafts with the Three Palms Association; and Beekeeping with the Mairana Beekeepers Association. The LCP had a 36-square meter stand (which won the first prize for best stand) and participated in interviews with journalists from print media *El Nuevo Día* and *El Mundo*, in radio with Radio Fides and Santa Cruz Radio, and on television with the Unitel and PAT channels.

Participants also were able to sell at least 70% of their handicrafts or forest products and establish contacts with some shops, such as Naturalia, which is interested in buying on a regular basis coconut cracklings, wood crafts and Japa Jipi handicrafts; and the foreign exchange student company, which intends to generate regular visits to tourist lodges that are part of the Alliance of Indigenous Ecotourism initiatives.

Implementation challenges

During this quarter, the biggest challenge was reaching agreements with the National Service of Protected Areas (SERNAP). And although SERNAP agreed to identify areas of common work with the LCP, they failed to establish a work agenda on the issue. Also, the MEC made changes

in the guidelines developed to establish the educational curricula, which has made it impossible to successfully provide biodiversity conservation input.

Monitoring and Evaluation

During this period, the second monitoring report was completed and will be submitted to USAID. The monitoring and evaluation consultant reviewed the field data on economic variables, including data related to the measurement of annual family income (AFI) for 2006, 2007 and 2008; updated information relevant to the progress of the seven indicator variable rules, based on interviews and data collection from those responsible for monitoring these activities; updated the database for managing municipal expenses from 2007, pending data for 2008; reorganized the protocol for the Knowledge Management indicator (indicator 8), based on a concept of best practices; collected monitoring data from the Green Tent, with support of a temporary assistant who filled out approximately 350 forms for elementary students of San Buenaventura and Rurrenabaque; and designed a monitoring instrument for the implementation of the Caquiawara Interpretative trail with the teams working in non-formal education. This final instrument was validated by Tropico and adjusted by the monitoring consultant, and is currently being used to monitor the impact of the non-formal education activities.

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