CEPF Final Completion and Impact Report

Organization's Legal Name:	Fundacao de Desenvolvimento do Cerrado Mineiro - FUNDACCER
Project Title:	Reward Program for Conscious Producers - Restoring Ecosystem Services in the Cerrado
Grant Number:	CEPF-109652
Hotspot:	Cerrado
Strategic Direction:	1 Promote the adoption of best practices in agriculture in the priority corridors
Grant Amount:	$410,068.18
Project Dates:	May 01, 2019 - November 30, 2021
Date of Report:	January 23, 2022

IMPLEMENTATION PARTNERS

The list with the description of the partnerships is attached in tab 18 "Other information" under the name "CCA Partner List".

CONSERVATION IMPACTS

Planned Long-Term Impacts: 3+ years (as stated in the approved proposal)

Impact Description	Impact Summary
100 hectares of riparian forests restored to promote ecological corridors by connecting native vegetation on 30 meters from both sides of the river margin, following a participatory method involving producers in 127 properties	53.53 (20.3 hectares in Patrocínio and 33.23 in Serra do Salitre) of riparian forest restored to promote ecological corridors connecting the native vegetation on 30 meters on both sides of the riverbank, following a participatory method involving farmers on 39 properties (23 properties in Patrocínio and 16 in Serra do Salitre). The native vegetation in the Córrego Feio basin is concentrated in a large fragment distributed in a northeast-southwest direction, following the main water course and conditioned in the centre on a rugged relief and a valley. With a calculated cohesion index for the native vegetation of 99.99 %, it demonstrates that the fragments are distributed in an aggregate form along the main fragment that occupies 96.75 % of the native vegetation of the area while there are

Impact Description	Impact Summary
	many small fragments on its edge, revealing an impact of the edge effect. Thus, during the negotiation process with the producers we accepted to restore areas not only because they are in riparian forests, but also because of the importance of conservation of the areas offering better quality and connection of the fragments.

Planned Short-Term Impacts: 1 to 3 years (as stated in the approved proposal)

Impact Description	Impact Summary
Biodiversity protected, with the maintenance of ecosystem services and food security ensured, on 127 coffee producers' properties thanks to the identification and dissemination of 20 sustainable technologies and climate smart production best practices in the agriculture sector (as described in the 3-step material)	Biodiversity protected, with the maintenance of ecosystem services and food security ensured, on 73 coffee producers' properties thanks to the identification and dissemination of 22 sustainable technologies and climate-smart production best practices in the agriculture sector (as the 3-step material). In the Córrego Feio basin, the updated number of properties is 129. 24 properties (22%) of 19 producers did not adhere to the Program. The reasons were either because they did not have proper documentation of the property or because they claimed not to accept receiving resources from foreign NGOs. Six properties are in the flooded area of the DAEPA dam and 16 properties do not require intervention, either because they are exclusive Legal Reserve areas or because they already receive restoration support from Mosaic. This reduces the total number of properties eligible to receive PIPC to 107. Of this total, 57 properties adhered to PIPC and nine signed the visitation authorization, bringing to 62% the number of properties adhering to PIPC. It has not yet been possible to identify the owners of 17 properties, either because they live in other cities or because the property does not have a home. In Serra do Salitre, there were 12 producers of 16 properties which adhered to PIPC.
7 partnerships and networks formed among public, private and civil society actors to facilitate synergies and to catalyze integrated actions and policies for the conservation and sustainable development of the Cerrado in support of the ecosystem profile: 1) Companies already part of the Cerrado Water Consortium (CWC): Expocaccer, Cooxupé, Nestlé, Nespresso, Lavazza 2) Companies to be contacted: Starbucks, Volcafé, OLAN, Illy, as active members of the CWC and part of the	11 partnerships and networks formed among public, private and civil society actors to facilitate synergies and catalyse integrated actions and policies for the conservation and sustainable development of the Cerrado in support of the ecosystem profile: 1) Companies that are already part of the Cerrado Water Consortium (CCA, sigla em portuguese): Expocaccer, Cooxupé, Nestlé, Nespresso, Lavazza 2) Companies that joined the Consortium in 2021 and are as active members of the CCA: Volcafé, NKG Stockler and Cofco International. The Patrocínio

Impact Description	Impact Summary
network. The water department as the supplier of workforce and equipment. Water Users Association in Coromandel as a mobilizer for the expansion in Monte Carmelo and Serra do Salitre.	water department agreed to host the fire brigade in partnership with the basin producers. The Serra do Salitre Municipal Administration and the Municipal Administration of Coromandel signed a five-year agreement whereby they will provide the Consortium with employees and machinery to carry out the restoration processes. Another important partnership was also established with Daterra Coffee with the donation of 30,000 native seedlings in the first year, which may be extended for the following years.
Resources leveraged via 1 partnership with the public sector for the implementation of a joint long-term dissemination program on native vegetation cover and dynamics of land-uses in the hotspot in order to support different stakeholders for planning and decision making.	Resources leveraged via 2 partnerships with the public sector for the implementation of a joint long-term dissemination program on native vegetation cover and dynamics of land-uses in the hotspot in order to support different stakeholders for planning and decision making.
Watershed management improved within the basin with 4 action plans based on shared data and experiences for better water quantity and quality developed and made available to relevant stakeholders	Watershed management has improved within the basin with 4 action plans: 1) Connected Landscapes Component that contemplated the impact analysis study of native vegetation, whose detected risks are being mitigated through strategies indicated in Individual Property Plans (PIPs); 2) Climate Management Component mobilized individual producers to identify risks and indicate the best strategies. On both fronts, strategies were sought to improve soil health and, consequently, water infiltration, such as increasing diversity in the coffee inter-row and restoring the water recharge area of springs. In the water resources management component, three telemetric stations were installed, enabling the exact quantification of water flow in real time, shared on our website, and available for producers to monitor and make decisions. This brought another perspective to the management of water resources in the basin, since until now there was no type of water quantification for this basin that is responsible for supplying 100,000 urban residents. Furthermore, detailed water analyses were carried out as a baseline for future comparisons. The Action Plan for the Institutional Engagement component mobilized 111 stakeholders to attend workshops to discuss the PIPCs and the PIPs.
30 ecosystem services indicators and monitoring system implemented in all 100 properties of the Corrego Feio Basin (as described in the 3-step material) and included as part of the Emater certification program (Certifica Minas) which will improve the standards of farming and climate resilience and	- 19 climate-smart agriculture consistent indicators have been implemented and an annual monitoring plan is carried out on all PIPC farms. It was not possible to include the indicators as part of the Emater certification programme (Certifica Minas). However, we are in dialogue with CCA member companies to include the climate-smart agriculture indicators in their annual sustainability reports. The

Impact Description	Impact Summary
provision of ecosystem services in all properties to be visited by Emater	indicators are: 1) Degree of engagement of producers; 2) Maturity profile of PIPC Producers; 3) Absolute number of beneficiaries; 4) Organic matter content in the soil; 5) Water availability supply; 6) Water quality improvement; 7) Impacted area of the basin; 8) Area of native vegetation conserved; 9)Area of native vegetation planted/seeded; 11) Number of seedlings of native Cerrado species planted; 11) kg of seeds sown; 12) Production area managed with resilient agriculture strategies; 13) Stored greenhouse gases (tCO2 eq); 14) Greenhouse gas emission balance; 15) Production volume; 16) Producers' income; 17) Promotion of resilient agriculture; 18) Expansion of access to credit; 19) Frequency of presence of top-of-chain mammals
Land restoration and best practices in agriculture and cattle ranching promoted to 83 producers in the basin via access to professional advice and structured interventions of the Reward Program for Conscious Producers on the provision and offer of ecosystem services	- Land restoration and best practices in agriculture and cattle ranching have provided 57 farmers in the Patrocínio and Serra do Salitre watersheds with access to professional advice and structured interventions from the Reward Program for Conscious Producers on the provisioning and supply of ecosystem services. Land tenure dynamics within the watersheds vary from year to year due to family shares, sales and purchases. The updating of the registry of properties and producers in the Córrego Feio basin in 2021 identified a total of 78 producers. Of this total, 67 (85%) were contacted and had the opportunity to learn about the CCA and 45 (57%) adhered to the PIPC. In Serra do Salitre, there were 12 producers adhering to the PIPC.
2,300 hectares of native vegetation that could be deforested according to the Forest Code, conserved as part of the engagement agreement between the 83 producers and the CWC	The mapping of the Córrego Feio Basin showed that the area has 3,365.23 hectares of native vegetation. Of this total, 748.48 hectares are not protected by law, i.e., it is still subject to deforestation. However, we found that there are errors in the CAR and 218.07 hectares of RL are not included in the polygons of the CAR and therefore did not appear in the initial mapping. This would reduce this area of native vegetation not protected by law to 530.41. Subtracted from this total, we have 81.71 hectares with slope greater than 40% unsuitable for agriculture. In this way, the total area of native vegetation subject to conversion for agriculture in the Córrego Feio Basin would be 448.70 hectares. However, even though these lands are not protected by law, they are unlikely to be converted, as they are not suitable for cultivation due to slope and soil type, which, in a way, gives them protection.
3 influential coffee brands (Nespresso, Lavazza and Nestlé) significantly responsible for the	3 influential coffee brands (Nespresso, Lavazza and Nestlé) significantly responsible for the sourcing

Impact Description	Impact Summary
sourcing from the region participating on the deliberative council of the CWC to define the strategy and learn from the interventions	from the region participating on the deliberative council of the CWC to define the strategy and learn from the interventions
83 producers trained on the importance and practices to improve the monitoring, offer and conservation of ecosystem services	The update of the registration in 2021, showed that the total number of producers in the Córrego Feio basin is 78, of which 45 (57%) adhered to the PIPC and were regularly visited by the CCA going through all the phases of the Program. However, 67 farmers (87%) were contacted by the technical team of the Cerrado das Águas Consortium and received guidance on climate change issues and the need to implement appropriate strategies to combat climate change. In Serra do Salitre, there were an additional 12 producers adhering to the PIPC.
One coordinated action plan defined to enact one law and in support of the CWC and structure technical cooperation partnerships to ensure the continuity of the Reward Program for Conscious Producers in the long run in partnership with the Fundaccer team. This will be a partnership to assure the maintenance and monitoring of the restoration actions. It will be a payment through the provision of services and inputs to maintain the functionality of ecosystem services in their areas.	We conquered with the Patrocínio City Hall, the approval of Law 5.161 on December 12, 2019, which provides for the waiver of public call to sign a Technical Cooperation Agreement. We managed, through an informal agreement with the Secretary of Agriculture, the section of a team of three to four men and machinery, to carry out the necessary actions in the basin for the replanting of the areas. We are still working with the municipality to sign a formal, long-term agreement. To combat one of the greatest impacts identified in the basin, the fire, we obtained a commitment from DAEPA (Patrocínio Water and Sewage Department) to participate in the joint construction of the Forest Fire Brigade of the Córrego Feio basin. In 2021, we were able to sign two terms of technical cooperation with two municipalities in the PIPC's advance areas: one with the municipality of Serra do Salitre and the other with the municipality of Coromandel, ensuring field staff and machinery to carry out the implementation and maintenance of the restoration actions in these municipalities. In the municipality of Rio Paranaíba, with the support of the Federal University of Viçosa (UFV-Campus Rio Paranaíba), we will have a meeting with the mayor in February/22 to discuss the progress of the PIPC in the city.

Unexpected impacts (positive or negative)?

We had three negative impacts on the project: Covid-19 which affected the workshop methodology and monitoring, fencing action, and frost in the planting areas.

Due to the COVID-19 pandemic, we had to adapt the way of carrying out the workshop with producers important moment where we discussed and agreed on the investments and counterparts of the strategies presented in the Individual Property Plans. Thus, during the second cycle of the PIPC, we held individual meetings with producers with scheduled time and a 30-minute break between meetings.

Another activity that was impacted by the Covid-19 pandemic was the monitoring of the areas. This activity is carried out in two ways, one by the team members and the other by the farmers with the assistance of the CCA biologist. However, the average age of the landowners is 50 years, i.e. they belong to the Covid-19 risk group, many of them could not do the monitoring with the team. The team maintained the monitoring by visiting the areas and responding to calls from farmers when they wanted to make a report.
The third negative impact was when we started the installation of 3,230 meters of fence in the Permanent Preservation Areas, as a strategy to combat the invasion of brachiaria. On the first day of the team in the field, we were informed by the Municipal Environment Prefecture that this action could not be carried out due to a judicial discussion between the Environment Secretariat and the Public Prosecutor for the Environment, about the constitutionality of Law 815/1964 which instituted protection of 100 meters from the banks of the Córrego Feio. The bad wording of the law which is very old generated many discussions about its constitutionality and this judicial definition will take time and it will not be possible to wait for the judge's decision in order to be able to execute the action within the term of the contract.

Another negative impact was in July 2021 when one of the biggest frosts of the last decades was registered in the municipality of Patrocínio/MG. Using geoprocessing and remote sensing techniques, we observed that of the total of 3,665.23 hectares of native vegetation existing in the Córrego Feio basin, 421.13 (11%) were affected by frost. When we analyze the forest formation (947.34 hectares), this figure rises to 30% (288.21), of which 51.39 hectares were affected with a high degree of severity, 119.57 with a medium degree of severity, and 117.25 hectares with a low degree of severity.

We had three very positive impacts on the project:
1) partnership sealed with DATERRA COFFEE that lent us 30mil seedlings of various Cerrado species that will be used to replant the areas that suffered from the frost. The initial contract was for this year 2021, but the company has already signaled positively that it will extend the partnership contract and has requested to become a member of the CCA.

2) The contribution of resources made by IMAFLORA for the preparation of the Climate Smart Agriculture Indicators. These indicators were built in a participative way with the participation of the CCA team, our restoration consultancy, Emater, and associates.

3) Partnership with the Cerrado Seeds Network in the construction of the course "Cerrado Seeds Course: Formation of Collectors and Restorers". This activity generated partnerships with eight different institutions: 1) Caminhos da Semente; 2) ICMBIO; 3) IEB; 4) Agroicone; 5) Avante; 6) Lina Inglez; 7) São Paulo Digital School. In addition, materials were provided by four institutions: 1) Rede Sementes do Xingu; 2) Embrapa; 3) WWF and 4) Parque Vida Cerrado.

PROJECT RESULTS/DELIVERABLES

Overall results of the project:
Since 2019, 73 properties and 57 producers, signed the contract authorizing the development of strategies and monitoring for three years.

In Patrocínio, in the Córrego Feio basin, 57 properties of 45 producers adhered to the Programa de Investimento no Produtor Consciente (PIPC), and in Serra do Salitre there were 12 producers of 16 properties. In the Córrego Feio basin, considering that there are 10 (ten) properties that are exclusively Legal Reserve areas, in other words, areas that are

already protected by law and that the implementation of strategies was not necessary, the percentage of properties in the basin with conserved areas is 58%.

114 IPPs (Individual Property Plans) were prepared, 94 for Patrocínio and 20 for Serra do Salitre. Of these, 27 plans were for the Climate Management Front, with the indication of 22 strategies, and 87 for the Connected Landscapes front, with the indication of 15 strategies. The development of the Connected Landscapes strategies generated an area of 142.31 hectares conserved, of which 96 hectares in Patrocínio and 46.31 hectares in Serra do Salitre. On the Climate Management Front, an area of 335.19 hectares was implemented for climate-smart agriculture strategies.

50 liters of organic herbicide were used and 40 kg of organic bait was delivered to the growers who received guidance on how to apply the product and were monitored by the CCA team. The use of these organic products proved effective as the monitoring of the areas showed seedling loss rates below 10%. The adoption of organic herbicide and formicide, was very successful in the restoration processes, but the greatest gain was to verify the paradigm break of the producer and the change in the way of thinking concerning the proposed strategies and the areas of native vegetation on the property.

Until July 2021, the plots where the planting of seedlings was performed suffered minimal loss of seedlings (average rate of 10% in all properties) low attack of ants, a low infestation of grasses in the crowns of seedlings, and significant growth of seedlings. However, on 20 July 2021, the biggest frost in recent decades was recorded in the municipality of Patrocínio/MG. The climatic phenomenon caused great damage to the agricultural sector and to the areas of native vegetation in the region. On 29 and 30 July 2021, the Connected Landscapes front analyst and the Smart Agriculture analyst were in the field to carry out monitoring of the areas where CCA carried out PIPC project interventions. It was estimated that frost affected on average 68% of the implemented areas, and in 38% of this area, the seedlings have no regrowth capacity.

The experiments performed with native seeds from the Cerrado, had various results, highlighting the resilience, especially after the climatic phenomenon of frost. In Mr. Bartolo's property, we were not successful in germinating because there was infestation by brachiaria seeds. A second test was carried out to check the origin of this infestation, in an area without brachiaria seed bank. The results were also unsatisfactory for conservation because the site suffered invasion by an herbaceous species, popularly known as Joá-de-capote (Nicandra physaloides) with aggressive growth that dominated the area and completely prevented the growth of native species. Both sites are former productive areas and the experiment showed that this type of area needs pre-planting management so that invasive species do not impede the establishment of native vegetation.

In the 5,000m² area of Mr. Paulo Oscar Dante, 170kg/ha of 22 species of native Cerrado seeds were sown. The aim was to verify the germination behavior of the seeds in an exposed soil, in an advanced stage of degradation and, consequently, with low potential for natural regeneration. The use of nature-based technologies proved to be extremely efficient, as even though the area is going through a period of frost and the worst drought in recent times in the Cerrado Mineiro region, the seeds are germinating.

In the second experiment on Mr. Agostinho Mansano's farm, the sampled area is a reserve, with a grassland formation characteristic of campo sujo sujo/limpo, but which currently suffers invasion of brachiaria. At the site, 170kg/ha of 22 native seed species were tested in a single 5,000 m² plot. The intervention aims to accelerate the process of succession in the area and increase local diversity. At this site, the use of direct seeding also proved to be an

appropriate strategy for Cerrado grassland areas, as the species used showed great resistance after frost and drought and are showing good development. The impact analysis study enabled the team to understand the risks affecting the landscape of the Córrego Feio basin. Two major impacts were diagnosed: fire and invasion by brachiaria. In general, the invasion of brachiaria is a consequence of cattle trampling on areas of native vegetation. Therefore, in the second cycle of the PIPC the strategy of fencing off Permanent Preservation Areas (APP) was proposed with 3,230 meters of fencing, protecting 14 hectares of vegetation. However, due to a legal dispute between the Secretary for the Environment and the Public Prosecutor for the Environment about the constitutionality of Law 815/1964, which provides for the protection of 100 meters from the banks of the Córrego Feio basin, we were unable to continue the fencing and had to stop the services as advised by the Secretary for the Environment.

The Impact Analysis showed us that fire is a great risk to the ecosystem services of the Córrego Feio basin. Thus, as an initiative to combat this risk, the CCA delivered to Mr. Antônio Geraldo de Oliveira, Secretary for the Environment, the Córrego Feio basin Integrated Fire Management Plan, whose planning guides producers and government agencies on the correct way to minimize this impact and correctly direct efforts. After the delivery of the Plan, the CCA team took over the conduction of meetings for the collective construction of a forest brigade between producers and public agencies for fire fighting.

The project's communication gained scale and we were able to make two international disclosures, namely: 1) International Coffee Organization (ICO) in the Resilient Coffee Landscapes session; 2) International Union for Conservation of Nature Congress, in the virtual channel No farm is a island: making agriculture work for landscapes and vice-versa.

In addition, communication efforts resulted in the dissemination of releases 22 times in national media, five regional, and 11 times in the local press. In addition, there was insertion of CCA content in three TV programmes, being: One national mainstream media with an interview in the Terra Viva programme, Band network on "The Role of soil health in field production" in April 2020. A regional report on MGTV 1st Edition, an important regional media vehicle of the Globo network, entitled "Water Challenge: partnership implements measures for conservation of water resources in MG", lasting six minutes. We were also mentioned as an example in the IUCN's We Value Nature campaign as The business case for nature. Locally, we conducted four interviews on local radio stations.

We have improved our strategy of dialogue with our donors' communication departments. Within the communication efforts we built this year 2021 a Strategic Communication Plan for next year, 2022, dialoguing with those responsible for the communication departments of our member companies. Each one pointed out how they could contribute and this will broaden the voice of the actions developed by the CCA.

CEPF's financial resources allowed for the development of the PIPC methodology in the Córrego Feio basin, and having this guarantee during the implementation period allowed us to move on to other expansion areas, such as Serra do Salitre, whose results are also presented in this report.

Results for each deliverable:

Component		Deliverable		
#	**Description**	**#**	**Description**	**Results for Deliverable**
1.0	Institutional Engagement	1.1	Launch of RPCP program publicized and materials for producers' engagement and enrollment prepared	The workshops scheduled with the producers did not take place due to the moment experienced with the Covid-19 pandemic. As it was impossible at that time to set the dates for the workshop and the deadline for joining the PIPC, the postcard information had to be updated. Thus, the team was able to continue the actions of the project using this communication material to explain the PIPC step-by-step to the producer.
1.0	Institutional Engagement	1.2	First round of 50 Individual Property Project and Contracts Signed	As a result of the success of our launching events we have welcomed in our office 41 of the 67 producers of the basin. Each of them brought their personal and property documents. In this occasion we have explained the programme and process and they have signed a Term of Adhesion authorizing our team to go to their property and agreeing to accompany them during the whole visit. During the visit we had a restoration specialist, a climate farming expert and our field manager who collect the data in the app and photographed evidences to support the diagnosis and the recommendations in the Individual Property Plans. Of the 41 producers we have visited, 24 agreed to continue with the Programme. Most of the ones who have given up, were uncertain about committing to something so

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				new and. requested to participate in the next round. For the 24 producers we have developed 43 Individual Property Projects detailing our assessment, recommendation and resources necessary for the climate smart farming and restoration interventions.
1.0	Institutional Engagement	1.3	Second round of 50 Individual Property Project and Contracts Signed	In the second round of the PIPC, we diagnosed properties in Patrocínio and Serra do Salitre, accounting for 73 properties of 57 producers with signed contracts. In Patrocínio, there were 57 properties of 45 producers and in Serra do Salitre, in this first year of operation, there were 16 properties of 12 producers. We prepared 114 Individual Property Plans (PIPs) indicating 15 restoration strategies and 07 climate management strategies. Adding to this total, we made PIPs of twelve properties whose producers signed the authorization to visit and the negotiation and implementation will happen at the end of the year. In 16 properties, the diagnosis did not identify, at that moment, risks to ecosystem services, as for example, in properties composed only by a coffee plot and without native vegetation area. 24 farmers did not agree to join the IPCC. Eight properties are already restoring their areas through the Mosaic Fertilizers company project. In Patrocínio, even with the registration of producers made in 2018 and all

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				the efforts of the CCA team to obtain contact information from producers, it was still not possible to register 17. The team remains committed to obtaining such contacts and the search is now happening organically as we interact with more producers in the basin.
1.0	Institutional Engagement	1.4	Communication strategy and materials with all stakeholder groups	As presented in the previous sections we have developed various materials to interact with the different groups of stakeholders. We have also created a whatsapp group with al producers and created an Instagram and Facebook accounts for the Consortium in order to inform our actions and progress. Our website still slow, but should be ready within the next month. Now that we harvested the results of our strategy and shall start the fundraising efforts again, we believe we should have a more structured approach to our public relations policy. Therefore we have hired a public relations agency which has previously helped Nespresso and other conservation projects to improve their impact. Amongst the deliverables of this communication agency we are developing a specific policy for the donors to communicate the impacts of the project and how those mitigate part of the damages of their supply chains with shared indicators in their sustainability report bringing attention to the aim of the initiative and to the biome.

Component		Deliverable		
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1.0	Institutional Engagement	1.5	Engagement strategy with signed work plans with relevant stakeholders in the region	We have contacted all the relevant stakeholders in the region and all our team and partners are local. Amongst the contracts signed with all the respective work plans, and sent to CEPF, we have hired a local company for: o Water management front o Climate Farming o Implementation of the restoration strategy o Facilitation for the workshops o Design o Georeferencing data o Social media management
1.0	Institutional Engagement	1.6	Regular forum updates to co-create next steps	We address three stakeholder groups on a regular basis, our producers, our donors and the public sector in Patrocinio. With the producers that adhered to the Program, we have a daily contact, but it is worth mentioning the result of our we had a very good workshop where in groups they could discuss Individual Property Projects and the strategies with our team and neighbours, understand budget and timeline and offer to co-finance the implementation costs. In the restoration front the producers are contributing with 40% of the total costs amounting to USD 45 thd. In the climate smart front the producers are contributing with 88% of the total costs amounting to USD 82 thd. With the donors we have frequent calls, particularly with the CEPF. In terms of co-creating next steps we have managed to bring Expocaccer and Nestlé to the board as well as IUCN and CI. Expocaccer

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				and Nestlé. IUCN has organized a expert meeting in Patrocinio with an international team including a: Biodiversity expert, an Irrigation specialist and a Geoprocessing expert to discuss the expansion of the project in October. With the Public Sector we have a very robust relationship and after a series of meetings we have managed to pass a municipal law in which the Consortium will be always the first choice
1.0	Institutional Engagement	1.7	Communication materials on results, impacts and learnings to donors and broader audiences interested in creating climate resilience by strengthening and ensuring the provision of ecosystem services	We developed two videos to inform about the project: 1) an institutional video with the participation of the producers, members and technical team on the results of the implementation of the PIPC; 2) an animation on how the CCA works and how to become a member. We also made an explanatory folder about the PIPC Maintained the social network of the CCA (Instagram, facebook and Linkedin) We recorded the song about the CCA with local musicians to be the background of our outreach and workshops. We held meetings with the public authorities in Serra do Salitre and Coromandel where we won a technical partnership contract for the field team. In addition, we talked to universities and companies.

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				We produced releases on the CCA methodology, as well as videos that make up the training course for seed collectors. We report to donors on a regular basis, so far we have prepared only PowerPoint presentations. In partnership with Nespresso we are currently producing a video and other materials to communicate our achievements.
2.0	Connected Landscapes - Conservation and restoration	2.1	Restoration strategy based on restoration plans for the first 50 Individual Property Projects	The application directs the actions of the team in the field, systematizes data collection and makes the issue of PIPs (Individual Property Plans) more effective. The pre-registration data input is done in the office and basic property data are entered into the application, such as the total area of the property, etc. In the registration phase, the team goes to the field to talk to the producer. At this moment more detailed information about the property and social conditions are collected. It is also at this moment of registration that the team fills in the producer's maturity calculator, that is, it collects information about how mature the assisted producer is regarding environmental issues. After registration, the team diagnoses the areas of native vegetation and production areas and collects data on possible risks to ecosystem services existing on the property. This data is used as the basis for Individual Property Plans (PIPs) that will be issued by the

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				application itself. The APP is also used to collect information on the monitoring of the implemented plots. The version for approval of the application is in its final stage and the final version will soon be available on Playstore.
2.0	Connected Landscapes - Conservation and restoration	2.2	Pictures and maps of the plantings 1st round of 50 Individual Property Projects	For each property the team has creates a folder on google drive where the CCA team and implementation partner could access, contribute and document the restoration strategy.
2.0	Connected Landscapes - Conservation and restoration	2.3	Field visits report on maintenance of plantings	Despite the impossibility of promoting face-to-face meetings with some producers during the pandemic, the monitoring of the strategies implemented was carried out by the team through telephone contact with the producers and by the climate management analyst going to the restored areas to assess the restoration process and maintenance needs. By July 2021, it was possible to verify that the plots where planting was conducted suffered minimal loss of seedlings (average rate of 10% in all properties), low attack of ants, low infestation of grasses in the crowns of the seedlings and significant growth of seedlings. In December 2020 and January 2021, workers from the company hired by CCA to do the implementation reinforced the maintenance of the areas with the application of organic herbicide. In 2021, the monitoring was carried out in March and July, right after the record of the

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				biggest frost that occurred in recent decades in the municipality of Patrocínio/MG.
2.0	Connected Landscapes - Conservation and restoration	2.4	Field visits report on monitoring	In the first experiment with native Cerrado seeds, carried out on Mr Bartolo's property, the results were not satisfactory for conservation as the area was invaded by an herbaceous species, popularly known as Joá-de-capote (Nicandra physaloides) with aggressive growth that dominated the area and completely hindered the growth of native species. The experiments carried out in the second cycle showed great resilience, even after the period of drought and frost. The first was carried out on 21 and 22 January, on the farm of the producer Paulo Oscar Dante. There, 170kg/ha of 22 seed species were tested in a 5,000 m² area. The second experiment took place on January 29 and 30, at grower Agostinho Mansano's farm. The sampled area is a reserve, with a grassland formation characteristic of campo sujo sujo/limpo, but which is currently being invaded by brachiaria. At the site, 170kg/ha of 22 native seed species were tested in a single 5,000 m² plot. The intervention aims to accelerate the process of succession in the area, and increase local diversity. The greatest development of seeds was observed in the site that contains less sandy soil and the species that stood out were jatobá

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				(Hymenaea sp.) and cashew (Anacardium humile).
2.0	Connected Landscapes - Conservation and restoration	2.5	Restoration strategy based on restoration plans for the second round of 50 Individual Property Projects	Through the PIPC methodology, the sum of the areas in the restoration process in the second round in the municipality of Patrocínio was 97 hectares. At the end of the PIPs construction process, 12 restoration strategies were recommended to the producers of the Córrego Feio basin: Consortia Planting, Fencing, Enrichment, Control of Invasives, Direct Sowing, Educational Plates, Control of vines, Crowning of regenerants, Planting of Cerrado Species, Environmental Education, Aceiro, SAF. We identified the need to develop the fencing of the areas with invasion of cattle but when initiating the activities in the properties we were informed that this action could not be carried through due to a judicial discussion that institutes protection of 100 meters of the margins of the Córrego Feio. The poor wording of the law, which is very old, has generated many discussions about its constitutionality and this judicial definition will take time and it will not be possible to wait for the judge's decision to be able to carry out the action within the term of the contract. In 2020 and 2021, many hectares within the Córrego Feio basin were affected by fire. Given this long history, the CCA coordinated

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				the construction of the Integrated Fire Management Plan for the Córrego Feio basin.
2.0	Connected Landscapes - Conservation and restoration	2.6	Pictures and maps of the plantings 2nd round of 50 Individual Property Projects	130 producers were contacted, either by phone or through visits to the properties in Patrocínio and Serra do Salitre. Of this total, 57 producers adhered to the PIPC on a total of 73 properties. The result was 114 PIPs (Individual Property Plans) prepared, 94 in Patrocínio and 20 in Serra do Salitre. Of the total implementation cost, 22% was contributed by producers and 24% by public authorities and partnerships. In the second cycle in Patrocínio, the producers' contribution was 66% and in the first year in Serra do Salitre the producers contributed with 30% of the restoration costs. In 2021, the monitoring of the Córrego Feio basin was carried out in March and July, right after the record of the greatest frost that occurred in recent decades in the municipality of Patrocínio/MG. The geoprocessing and remote sensing techniques identified that of the total of 3,665.23 hectares of native vegetation existing in the Córrego Feio basin, 421.13 (11%) were affected by frost. When the forest formation (947.34 hectares) is analysed, this figure rises to 30% (288.21), of which 51.39 hectares were affected with a high degree of severity, 119.57 with a medium degree of severity and 117.25

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				hectares with a low degree of severity. The data and maps of the area are in the attached documents
2.0	Connected Landscapes - Conservation and restoration	2.7	Recordings and/or training material of the structured training on a local seed collection network	A total of 1187 registrations were made. When the WhatsApp groups were opened, of the enrolled 720 people joined the groups (60.65% of the total enrolled) and 338 did not join (28.48% of the total enrolled). .During the 2 weeks of interaction, 129 people left the groups (17.92% of the participants of the groups/10.87% of the total enrolled). In this context, we cannot consider that the participants who chose to leave the group are dropouts or evaders, since part of them just had no interest in the interaction processes. 247 participants took the initial quiz (20.81% of total enrolled) and 265 participants took the final evaluation (22.32% of total enrolled). We had 271 submissions of the reaction evaluation (22.83% of total enrolled). In the groups, several participants indicated they were not interested in doing the activities, since their objective was not the certification, being these interested only in the exchanges and in the knowledge they could acquire from there. The videos and materials related to the course can be accessed through the link in the document "Training Course for Seed Collectors" attached in the Conservation grants.

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
2.0	Connected Landscapes - Conservation and restoration	2.8	Recording(s) and/or training material (s) to promote the concept of RPPNs among producers and encourage the creation of Conservation Units	On 24 November 2020, we broadcast the live "Territory of Coffee - RPPN and Ecobusiness" was aired, organised by the Cerrado Private Reserves (RPC) project, the event highlighted the importance of the sustainable production of one of the great commodities of Brazilian production, coffee. Speakers at the meeting included: Ricardo Bartholo, coffee producer from the Patrocínio/MG region. Sebastião Alves, coffee producer and RPPN owner, Graco Dias, environmental engineer, adviser to the Consortium of Waters (CCA) and Cooxupé collaborator, Andreia Roque, expert in Public Policy and Rural Development and Laércio Machado de Sousa, president of REPAMS (Association of RPPNs in MS) and CNRPPN. On February 20, at 10 am, the CCA promoted a digital meeting to discuss RPPN - Private Natural Heritage Reserves and invite local and regional coffee growers for clarification on the action. Present at this live were Mr Laercio Machado e Souza from REPAMNS, Luciano Souza, consultant, Antônio Geraldo de Oliveira, president of CODEMA of Patrocínio, town councillor Odirley Guimarães, Leticia Pereira Silva from the NGO Cervivo, Elda Regina from the State Forestry Institute and rural producer Cristiano Machado. The lives are available on the Cerrado das Águas Consortium's youtube channel.

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
3.0	Climate Smart Farming	3.1	Climate smart strategies and indicators for each property - 1st round of 50 Individual Property Projects	The climate smart agriculture front was implemented in partnership with EMATER (http://www.emater.mg.gov.br/) a very prestigious and public private partnership which offers rural extension company which has been in the region for more than 20 years and is very respected by all producers. One of the senior officers of EMATER was seconded to the CWC to work with our field team. This interaction has proven very useful in explaining our strategy and combining climate smart farming with restoration efforts. Their trustworthy relationship with the producers and ability to communicate guarantee the 88% rate of co-financing of the implementation costs. EMATER has produced the climate smart farming recommendations for our 43 Individual Property Projects and documented 8 different strategies. Most of which focused on improving the health of the soil and reducing the use of chemicals in crops and pasture. The 36 properties that adhered to the climate smart farming front offered the CWC the chance to manage 1200 hectares in a more sustainable way. As mentioned before, this front focuses on capacitating the producer himself and his team to increase their productivity while preserving ecosystem services.

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
3.0	Climate Smart Farming	3.2	Field implementation report of Climate Smart Strategies	All the properties where the strategies have been implemented have been visited and the producers did not have any difficulty with the implementation
3.0	Climate Smart Farming	3.3	Field monitoring reports	The EMATER officer accompanied the implementation with visits
3.0	Climate Smart Farming	3.4	Climate smart strategies and indicators for each property - 2nd round of 50 Individual Property Projects	To ensure the success of the implementation the EMATER has developed a checklist for the implementation and monitoring that serves as a very effective tool of engagement with the producer.
3.0	Climate Smart Farming	3.5	Approved set of indicators for climate smart agriculture	The construction of the Climate Smart Agriculture Indicators was a partnership between the Cerrado das Águas Consortium (CCA) and Imaflora. The starting point was to apply the SMART methodology to the indicators produced with EMATER through a stakeholder participatory process. In April 2021, a process of listening to members of the CCA team and associates began, based on the questions: What are the indicators needed for? Who are they aimed at? What questions should the indicators answer. 19 impact and result indicators were consolidated. They are: Degree of engagement of producers; Maturity profile of PIPC Producers; Absolute no. of beneficiaries; Soil organic matter content; Water availability supply; Improvement of water quality; Impacted area of the basin; Area of conserved native vegetation; Area of planted/seeded native vegetation; No. of

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				seedlings of native Cerrado species planted; kg of seeds sown; Production area managed with resilient agriculture strategies; GHG stored; Balance of greenhouse gas emissions; Production volume; Producer income; Incentives for resilient agriculture; % increase in access to credit; Frequency of presence of top-of-chain mammals.
4.0	Ensured Water Resources	4.1	Maps showing identified locations for water management systems	Our partner for water management system is a well know and award-winning company from the neighbouring municipality of Patrocinio. GH2O is a team of technicians that has been working with water management systems for coffee producers for over 20 years. This front different from the rest did not work on a property level but on the basin as a whole. Based on satellite photos and an in-depth knowledge of the region the team has suggested 3 key places to install the 3 water quantity monitoring stations.
4.0	Ensured Water Resources	4.2	Water quality monitoring system and results report	The results obtained from the analysis of the parameters show that the quality of the water bodies in the Córrego Feio sub-basin, in general, are in accordance with the standards established by the National Environmental Council and the Ministry of Health. It is important to consider that some parameters analyzed had their values outside these standards in certain collections, however, it is considered that these results had no impact on the Water Quality Index and

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				did not remain constant during the historical series analyzed. Thus, even though the results were satisfactory, it is necessary to ensure the maintenance of environmental sustainability, advancing with sustainable agricultural management practices that contribute not only to increasing production and water quality, but also to agricultural productivity.
4.0	Ensured Water Resources	4.3	Monthly comparative reports of all water quantity monitoring stations	Monthly reports were prepared between November 2019 and September 2020 evaluating the flow and precipitation in the waterways where the telemetric stations were installed. Throughout the monitoring period, the flow rate was never below half of Q7.10, established by the Mineiro Institute of Water Management. Between March and October 2011, it was noticed when analyzing together the data from reports and the data obtained by the hydrostatic level probes installed in the cross sections that at the stations of Barrinha stream (latitude 7912.629 | longitude 290.685) and Córrego Feio - upstream (latitude 7912.810 | longitude 290.606) the minimum flow rate established through half of Q7.10 is being maintained in the watercourse. On the contrary, the data obtained by the hydrostatic level probe installed in the cross section of the Córrego Feio station - downstream (latitude 7910.367 | longitude

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				289.622) show that the flow maintained near the Córrego Feio sub-basin outflow at its meeting point with the Dourados river, had at some moments of this period, values lower than the minimum established (50% of Q7.10). This situation may be related to the water withdrawal by DAEPA that occurs a few meters from this monitoring station.
4.0	Ensured Water Resources	4.4	Comparative water resources analysis report	The CCA accompanied the collection for analysis of water quality in December 2020. The results obtained from the analysis of parameters in situ as well as the tests performed in the laboratory demonstrate that the quality of water bodies in the Feio stream sub-basin, in general, are in accordance with the standards established by the National Environmental Council and the Ministry of Health. It is important to consider that some parameters analyzed had their values outside these standards in certain collections, however, it is considered that these results had no impact on the Water Quality Index and did not remain constant during the historical series analyzed. Even though the results were satisfactory, especially with regard to quality for public supply, it is necessary to ensure the maintenance of environmental sustainability, advancing sustainable agricultural management practices that contribute not

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				only to increasing production and water quality, but also to agricultural productivity, especially considering that this sub-basin is responsible for the water supply of the urban area of the municipality.
4.0	Ensured Water Resources	4.5	Report on the identification of key patterns and characteristics in the water abstracting areas	The creek Feio River sub-basin is part of the conflict area of the Dourados River basin, in the Alto Paranaíba region. Only recently was Ordinance No. 593/2021, issued by the Mineiro Institute of Water Management (Igam), approved, which defines the negotiated allocation of water use and, consequently, the effective management of the conflict over the use of water resources. The Local Management Committee (CGL) is being formed. Thus, we have not yet had access to the collective allocation data that would allow us to analyse the patterns and characteristics in the catchment areas.
5.0	CEPF project management and monitoring for compliance	5.1	Institutional capacity and understanding of gender issues within FUNDACCER effectively monitored, as evidenced by the submission of Civil Society (CSTT) and Gender Tracking Tools' (GTT) at project start and end	Institutional capacity and understanding of gender issues within FUNDACCER are monitored. While no progress was made on the gender front, we did increase our institutional capacities by 4 points during these two and a half years.
5.0	CEPF project management and monitoring for compliance	5.2	Environmental Impact Assessment effectively implemented and monitored	Environmental Impact Assessments were implemented and monitored, as evidenced by

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
			as evidenced by the annual report uploaded as annex to the programmatic report submitted every January and July to CEPF	the annual report submitted every January and July to CEPF
5.0	CEPF project management and monitoring for compliance	5.3	CEPF financial and programmatic reports are submitted online on time and accurately	All CEPF financial reports form submitted online in a timely and accurate manner.
5.0	CEPF project management and monitoring for compliance	5.4	Project impacts are monitored and reported online at project end	Project impacts were monitored and reported online at the end of the project
5.0	CEPF project management and monitoring for compliance	5.5	Communication materials and georeferenced information are shared with the RIT per email or other online data transfer software	All communication materials and geo-referenced information were shared with the RIT within the reports, by email or through google drive links.
6.0	Financial Sustainability	6.1	Financial Policy and procedures	It was not possible to sign a technical cooperation agreement with DAEPA, but they accepted to host a forest fire brigade to fight the outbreaks of fire in the basin. The role of the Consortium is to facilitate the process. The meetings have been taking place since September and the farmers and DAEPA have agreed to join forces and train their employees as forest fire fighters. The next meeting is scheduled for December 7. We made efforts to dialogue with the Secretary for the Environment of Patrocínio Town Hall, but unfortunately it was not possible to seal a partnership. We sent two

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
				letters, one of which was signed by the entire council, and the reply from the acting municipal secretary for the environment was that the secretary does not have the necessary funds. Furthermore, we managed to get the CCA at the Public Prosecutor's Office for the Environment and we are receiving the amounts relating to the fines of the Conduct Adjustment Agreements. The Environment Secretary of Patrocínio is also the president of the Committee of the Watershed of the Mineiros do Alto Paranaíba tributaries (basin of the Feio stream). We requested to present the PIPC to the councillors, but the meetings were not taking place due to the Covid-19 pandemic. Meetings resume in March 2022.
6.0	Financial Sustainability	6.2	Fund statute	As informed the financing structure is being prepared for presentation to financial institutions and negotiation of rules. Therefore, it was not possible yet to create the fund rules, policies and management procedures.
6.0	Financial Sustainability	6.3	Fund management policy and procedures	As informed the financing structure is being prepared for presentation to financial institutions and negotiation of rules. Therefore, it was not possible yet to create the fund rules, policies and management procedures.

Component		Deliverable		
#	Description	#	Description	Results for Deliverable
6.0	Financial Sustainability	6.4	Fund sustainability strategy	We hired Mr. Orlando Editore, Head of Sustainable Finance and Markets at Proactiva, as the person responsible for structuring Sustainable Finance operations. Since July meetings were held with the following institutions: JGP with Jose Pugas who is looking into the possibility of bringing in impact investors to reduce the cost of the transaction, as well as bringing in a fund that could make the issuance of carbon credits feasible. GAIA Securitizadora with Renato Frascino, Ana Barbosa and Jéssica Arruda - Gaia Securitizadora are evaluating how to bring in impact investors, similar to what JGP is proposing, but with a focus on smallholders Rabobank, Marcelo Rezende, are seeking support from the bank through the Head of Corporate Bank, Fabiana Alves, who is very interested in the project and is trying to make it possible with the president. BDMG with Dalini Ferraz, Rubens Brito, Marcos Vinícius Ferreira and Pedro Henrique Lauar - BDMG, demonstrated real interest in supporting the project. From the funding point of view, the most appropriate seems to be the ABC Program. The financing structure is being prepared for presentation to financial institutions.

Tools, products or methodologies that resulted from the project or contributed to the results:
- PIP template - we have developed an Individual Property Plan template for use with the Direct Mail tool in Word. With the development of the application, this template will be automatically generated for each property as a final report of the diagnostic stages.
- PIPC Application - The PIPC application allows anyone to conduct a diagnosis of the properties, as it contains all the steps for evaluating areas of native vegetation and productive areas. It also allows the Individual Property Plan to be generated.
- Impact analysis of hydrographic basin - From the classification of the use and cover of the land in a satellite image of very high resolution (WordView) it was extracted the phytophysiognomic units where the impact analysis was made. This analysis was carried out through automatic classification based on the spectral bands of the satellite image, identifying the degree of alteration of these native vegetation units - areas with a significant presence of invasive species (brachiaria) and exposed soil resulting from gullies or fires.
- Indicators of Climate Smart Agriculture - The indicators were constructed with the participation of the team, CCA members, and Emater. There are 19 indicators distributed in 5 areas: 1) Human Factor; 2) Resilient Agriculture; 3) Greenhouse Gas Emission Balance; 4) Socioeconomic; 5) Biodiversity.
- Videos for the Collectors and Restorers Training Course - These videos were made for the course "Cerrado Seeds: Collectors and Restorers Training Course" held in partnership with the Cerrado Seeds Network. There are 16 videos on the CCA, 3 with testimonials from seed collectors, 3 practical classes, and 6 videos on the management of Cerrado seeds from collection to storage.

PORTFOLIO INDICATORS

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
5	Number of partnerships and networks formed among public, private and civil society actors to facilitate synergies and to catalyze integrated actions and policies for the conservation and sustainable			4	The Prefeitura de Coromandel and Prefeitura de Serra do Salitre have signed a Technical Cooperation Agreement with the Consortium where they provide the Consortium with a team of field workers and machinery to carry out the restoration strategies proposed by the Connected Landscapes

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
	development of the Cerrado in support of the ecosystem profile (target: At least eight).				Component. This contribution in non-monetary values is of the order of approximately US$20mil dollars/year from each municipality. In addition, here in Patrocínio we are in the process of building a joint forest fire brigade with producers and DAEPA for the Córrego Feio basin and DAEPA (the municipality's water department) has agreed to lend the brigade's structure. Even though we did not manage to formally close a deal with the municipality, the Secretary of Agriculture granted 4 men to replant the areas burnt by the frost. This amounts to a contribution of approximately 3,800 dollars in 2022.
1	Number of hectares of production landscapes with improved management for biodiversity conservation or sustainable use within four corridors targeted by CEPF			477	In 477.50 hectares connected landscapes and climate management strategies were implemented and are under management and monitoring. Of these, 96 hectares are native vegetation areas in the restoration process and

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
	grants (target: At least 500 000).				335.19 hectares are crop areas where climate management strategies were implemented in the Córrego Feio basin, in Patrocínio and 46.31 hectares of th native vegetation areas in restoration process in the Ribeirão Grande basin, in Serra do Salitre.
1.2	Number of financial incentives for sustainable land-sparing agricultural and livestock practices promoted among commodity chains in priority corridors (target: At least four).			1	Through the Investment Program in the Conscious Producers, the producer who accepts the strategies proposed in the Individual Property Plan and the terms of the adhesion contract receives the financial incentive to implement the strategies proposed by the CCA technical team. This incentive is made through the transfer of non-monetary subsidies, such as the supply of labour to carry out the restoration strategies, delivery of inputs for the implementation of the strategies in the agricultural production area and machinery for the execution of other actions, such as

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
					rainwater containment, for example. In all, 57 producers from 73 properties benefited. In the Feio Creek basin 45 farmers received this incentive and in the Grande Creek basin in Serra do Salitre, 12 farmers also benefited. Each farm received of CCA, in average, of $1000 in non-financial benefits to implement the proposed strategies.
1.1	Number of sustainable technologies and production best practices in the agriculture sector identified and disseminated to ensure protection of biodiversity, maintenance of ecosystem services and food security (target: At least six).			22	In all, 22 strategies were indicated, being 7 (seven) climate management strategies and 15 (twelve) restoration strategies. All indicated strategies were described in the attached document called "Indicated Strategies".
5.2	Number of action plans based on shared data and experiences for better water quantity and quality			114	In these two years of implementation 94 IPPs (Individual Property Plans) were executed in Patrocínio and 20 in Serra do Salitre, adding up to a total of 114

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
	developed and made available to relevant stakeholders to improve watershed management (target: At least four).				Individual Property Plans. Moving forward quickly to Serra do Salitre was only possible because with CEPF funding we were able to carry out all the actions necessary to adjust all the points of the methodology during the implementation of the pilot project in the Patrocínio basin and now we have how to move forward in scale.
5.1	Number of partnership successfully leverages resources for the implementation of a joint long-term dissemination program on native vegetation cover and dynamics of land uses in the hotspot in order to support different stakeholders for planning and decision making (target: At least one).			14	Eight companies joined the Consortium and assumed the commitment to pay an annual membership fee of US$15,000.00 over 5 years. They are: Nespresso, Nescafé, Lavazza, Expocaccer, Cooxupé, Cofco International, Volcafé Brazil & Japan and NKG Stockler. In order to guarantee the expansion of the PIPC in other municipalities, a Technical Cooperation Agreement was signed by the Municipalities of Serra do Salitre and Coromandel, to make a team of people available every year for five years to carry out the planting activities in the restoration areas, as well as

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
					the maintenance of the areas throughout the year, and to provide the necessary machinery for the implementation of the strategies, such as water containment ditches, small dams, etc. A meeting is also being held with the government of Rio Paranaíba, our next expansion area, to seal a partnership along the same lines. We have not yet signed a commitment with the Patrocínio local government, but the Secretary of Agriculture will provide 3-4 people and machinery to replant the areas burnt by the frost in February 2022. Although there is no contribution in kind, these partnerships bring a contribution of approximately 200 thousand reais year to the Consortium. In the private sector, we were supported by DATERRA COFFEE, which donated 30,000 seedlings/year to PIPC, which represents a value of

Portfolio Indicator Number	Portfolio Indicator Description	Expected Numerical Contribution	Expected Contribution Description	Actual Numerical Contribution	Actual Contribution Description
					approximately R$100,000/year, and SEBRAE, which contributed R$36,440.00 to carry out the environmental diagnosis of the advancement areas.
1.3	Number of consistent public policies (legislation, policies, programs, public-private partnerships, etc.) created or adjusted to promote conservation and sustainable use of biodiversity (target: At least two).			0	

GLOBAL INDICATORS

Protected Areas

Protected areas that have been created and/or expanded as a result of the project. Protected areas may include private or community reserves, municipal or provincial parks, or other designations where biodiversity conservation is an official management goal.

Name of Protected Area	WDPA ID*	Latitude	Longitude	Country	Original Total Size (Hectares) **	New Protected Hectares ***	Year of Legal Declaration or Expansion

*World Database of Protected Areas

**If this is a new protected area, 0 should appear in this column

*** This column excludes the original total size of the protected area.

Key Biodiversity Area Management

Key Biodiversity Areas (KBAs) under improved management—where tangible results have been achieved to support conservation—as a result of the project.

KBA Name	KBA Code	Size of KBA	Number of Hectares with Improved Management
Misericordia	MG59		35
Paranaiba	MG68		19
Dourados	MG29		423

Production Landscapes

Production landscapes with strengthened management of biodiversity as a result of the project.

A production landscape is defined as a site outside a protected area where commercial agriculture, forestry or natural product exploitation occurs.

Name of Production Landscape	Latitude	Longitude	Hectares Strengthened	Intervention
Córrego Feio basin	18	46	477	73 properties, have implemented 477.50 hectares of restoration and climate management strategies, which are under management and monitoring. Of these, 96 hectares are native vegetation areas in the restoration process and 335.19 hectares are crop areas where climate management strategies were implemented in the Córrego Feio basin, in Patrocínio, and 46.31 hectares of native vegetation areas in the restoration process in the Ribeirão Grande basin, in Serra do Salitre.

Name of Production Landscape	Latitude	Longitude	Hectares Strengthened	Intervention
				On the Climate Management Component, the strategies implemented sought to improve the soil conditions of the crops, increase water infiltration and reduce the application of agrochemicals. The three strategies below were the most frequently adopted by producers: 1) Inserting diversity into the production line. This technique of weed management allows spontaneous plants to develop in order to protect the soil, attract beneficial insects (pollinators or predators of other insects and pests) and, mainly, produce a cover for the coffee inter-row. Thus, in addition to the associated environmental benefits, the crop itself benefits, since the weeds in the inter-row are removed and placed on the coffee row, contributing to control the development of spontaneous plants in the coffee row, as well as to the cycling of nutrients in the crop through the decomposition of organic material in the inter-row. 2) Use of biological control. The basic

Name of Production Landscape	Latitude	Longitude	Hectares Strengthened	Intervention
				premise of biological control is to control agricultural pests and disease-carrying insects through the use of their natural enemies, which can be other beneficial insects, predators, parasitoids, and micro-organisms, such as fungi, viruses, and bacteria. It is a method that allows the reduction of the use of agrochemicals, minimizing their negative impacts, such as contamination and emissions related to their production. 3) Crop rotation. This practice of crop rotation at the time of field reform is often used to improve the physical-chemical conditions of the soil (use of nitrogen-fixing legumes) and, in particular, to combat pests such as nematodes, such as the use of crotalaria. In the native vegetation areas, the strategies applied were diverse, but all sought to re-establish the ecosystem services through the restoration of the areas. The most commonly used strategies were: 1) Control of invaders - This technique consists of the

Name of Production Landscape	Latitude	Longitude	Hectares Strengthened	Intervention
				uprooting of lianas at the edges of trees. It is used both for reforestation and to enhance natural regeneration. 2) Crowning of survivors trees - This technique helps to encourage natural regeneration in abandoned pastures, and consists of eliminating the weed competition around the survivor tree. 3) Enrichment - This practice serves to potentialize natural regeneration in areas where a population of trees already exists and may already be fully shaded, in the case of a forest formation, but the diversity is low. It involves the introduction of seeds and/or seedlings of native species to cover the gaps in natural regeneration. 4) Intercropping - This technique is recommended when the regeneration potential is low (there are no good remnants left in the neighborhood and the area is dominated by grass). In forest formations, such as riparian forests, the planting should be done considering different groups of trees, which is why it is called a consortium.

Name of Production Landscape	Latitude	Longitude	Hectares Strengthened	Intervention
				5) Planting of Cerrado species - This technique is recommended when the potential for regeneration in the area is low because there are no good remnants in the neighborhood and there is intense occupation by grasses. 6) Direct sowing - A technique indicated for deforested areas dominated by grasses. It consists of directly placing the seeds in the soil and providing good conditions for germination. It is necessary to collect a large number of seeds and species because not all of them germinate.

Benefits to Individuals

- **Structured Training:**

Number of Men Trained	Number of Women Trained	Topics of Training
538	464	495 men and 434 women attended the course "Sementes do Cerrado - Formação de Coletores de Sementes e Restauradores do Cerrado" and producersnd the producers (43 men; 30 women) received training and guidance on climate-smart farming strategies. Content of the collector training course: What the Cerrado das Águas Consortium What is the Programa de Investimento no Produtor Consciente - PIPC Introduction to Ecological Restoration Collecting Native Seeds: From Planning to Storage Ecological Restoration Expansion and Commercialization

Number of Men Trained	Number of Women Trained	Topics of Training
		The farmers received as instructional material the PIPs - Individual Property Plans, divided into: Cover containing the satellite image with the delimitation of the watershed and the location of their property; Back cover with the location of the plots of implementation of the strategies and detailed information of the strategies. A detailed budget describing the values and the fields for the producer to sign which line he will contribute with the cou

- **Cash Benefits:**

Number of Men – Cash Benefits	Number of Women – Cash Benefits	Description of Benefits

Benefits to Communities

View the **characteristics** column below with the following corresponding codes:	View the **benefits** column below with the following corresponding codes:
1- Small Landowners	a. Increased Access to Clean Water
2- Subsistence Economy	b. Increased Food Security
3- Indigenous/ Ethnic Peoples	c. Increased Access to Energy
4- Pastoralists / Nomadic Peoples	d. Increased Access to Public Services
5- Recent Migrants	e. Increased Resilience to Climate Change
6- Urban Communities	f. Improved Land Tenure
7- Other	g. Improved Use of Traditional Knowledge
	h. Improved Decision-Making
	i. Improved Access to Ecosystem Services

Community Name	**Community Characteristics**							**Type of Benefit**								**Country**	**Number of Males Benefitting**	**Number of Females Benefitting**
	1	**2**	**3**	**4**	**5**	**6**	**7**	**a**	**b**	**c**	**d**	**e**	**f**	**g**	**h**	**i**			
Residents of the Córrego Feio basin	☐	☐	☐	☐	☐	☐	☒	☒	☒	☐	☐	☒	☐	☐	☒	☒	Brazil	45	30

Characteristics of "Other" Communities:

- Residents of the Córrego Feio basin: coffee producers

Policies, Laws and Regulations

View the **topics** column below with the following corresponding codes:			
A- Agriculture	E- Energy	I- Planning/Zoning	M- Tourism
B- Climate	F- Fisheries	J- Pollution	N- Transportation
C- Ecosystem Management	G- Forestry	K- Protected Areas	O- Wildlife Trade
D- Education	H- Mining and Quarrying	L- Species Protection	P- Other

No.	Name of Law	Scope	Topics														
			A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P

"Other" Topics Addressed by the Policy, Law or Regulation:

No.	Country/ Countries	Date Enacted/ Amended	Expected impact	Action Performed to Achieve the Enactment/ Amendment

Companies Adopting Biodiversity-friendly Practices

A company is defined as a for-profit business entity. A biodiversity-friendly practice is one that conserves or uses natural resources in a sustainable manner.

Name of Company	Description of Biodiversity-Friendly Practice	Country/Countries where Practice was Adopted
Lavazza	Lavazza, together with ESALQ/USP and the company X-farm, developed an irrigation strategy on the 5 Estrelas farm of Mr Ricardo Bartolo, a PIPC producer, aimed at improving the irrigation model. The result was a 40% reduction in water consumption when compared with the irrigation system used in previous years. We are in dialogue to replicate the model in our expansion areas and test it at the landscape level to improve water resource management.	Brazil

Networks and Partnerships

Networks/partnerships should have some lasting benefit beyond immediate project implementation. Informal networks/partnerships are acceptable.

Name of Network/Partnership	Year Established	Country/ Countries	Established by Project?	Purpose
Cerrado das Águas Consortium	2019	Brazil	Yes	Eight companies are members of the CCA with a minimum membership commitment of five years, guaranteeing resources for the maintenance of the CCA team, local and regional communication activities and part of the implementation of strategies in the field. They are Nespresso, Nescafé, Lavazza, Expocaccer, Cooxupé, Cofco International, Volcafé do Brasil&Japan and NkG Stockler.
Prefeitura Municipal de Serra do Salitre	2021	Brazil	Yes	We have established a technical cooperation partnership with the Serra do Salitre Municipal Government. The latter has made a five-year commitment to provide the Consortium with the labour and machinery necessary to implement the restoration actions proposed in the PIPs. The estimated amount of this support is $23mil dollars/year.
Public Prosecutor's Office for the Environment of Patrocínio	2021	Brazil	Yes	We have registered the CCA with the Patrocínio Public Prosecutor's Office for the Environment in order to receive funds from the TAC (Conduct Adjustment Agreements)
Córrego Feio Basin Forest Fire Brigade	2021	Brazil	Yes	The Impact Analysis in the Córrego Feio Basin showed us that fire is a major risk to the ecosystem services of the Córrego Feio Basin. Thus, as an initiative to combat this risk, the CCA delivered to the Secretary of the Environment, the Córrego Feio Basin Integrated Fire Management Plan, whose planning guides producers and government agencies on the correct way to minimize this impact and correctly direct efforts. After the delivery of the Plan, the CCA team took over the conduction of meetings for the collective

Name of Network/Partnership	Year Established	Country/ Countries	Established by Project?	Purpose
				construction of a brigade, between producers and Patrocínio Municipality and DAEPA. The meetings are still taking place, but in our last meeting we had DAEPA's acceptance to host the forest fire brigade.
Rede de Sementes do Cerrado	2020	Brazil	Yes	A partnership was established with the Cerrado Seed Network for formatting the course "Course on Cerrado Seeds: Training of Collectors and Restorers" which was held this year 2021. This activity generated eight other partnerships with different institutions: 1) Caminhos da Semente; 2) ICMBIO; 3) IEB; 4) Agroicone; 5) Avante; 6) Lina Inglez; 7) São Paulo Digital School. In addition, materials were provided by four institutions: 1) Rede Sementes do Xingu; 2) Embrapa; 3) WWF and 4) Parque Vida Cerrado.
Daterra Coffee	2021	Brazil	Yes	The company DATERRA Coffee has become a great partner of the Consortium and this year we sealed a partnership contract where we will receive through donation 30,000 Cerrado native seedlings. The company has already signalled that it will continue the partnership in the coming years with the session of 30,000 seedlings or more.
LAPIG - Image Processing and Geoprocessing Laboratory (LAPIG, acronym in portuguese)	2021	Brazil	Yes	The Image Processing and Geoprocessing Laboratory (Lapig) and the Cerrado das Águas Consortium signed a memorandum of understanding, cooperation and donation aimed at establishing a technical and scientific partnership related to the project of Master's student Victória Vasconcelos Freitas called "Monitoring of Sustainable Agricultural Areas in the Cerrado for the Identification and

Name of Network/Partnership	Year Established	Country/ Countries	Established by Project?	Purpose
				Automatic Classification of Environmental Assets through Remote Sensing" with the aim of improving the methodology of impact analysis of watersheds.
SEBRAE/MG	2021	Brazil	Yes	A partnership was established with SEBRAE last year to carry out diagnoses of the watersheds in the municipalities of Serra do Salitre (Grande Creek Basin) and Coromandel (Santo Inácio River Basin), areas of expansion. SEBRAE came in with resources to hire a geoprocessing team to map out the area. This study indicated the priority areas in the basins, contributing to the decision making process regarding the start of the visits to the basins and will be used as a basis for the impact analysis that is being carried out by a Master's student from Lapig at the Federal University of Goiás.
Prefeitura Municipal de Coromandel	2021	Brazil	Yes	We have established a technical cooperation partnership with the Coromandel Municipal Government. The latter has made a five-year commitment to provide the Consortium with the labour and machinery necessary to implement the restoration actions proposed in the PIPs. The estimated amount of this support is $23mil dollars/year.
Universidade Federal de Viçosa	2021	Brazil	Yes	We have a Partnership agreement for RD&I (Research, Development and Innovation) with the Federal University of Viçosa with the objective of holding a workshop to update the menu of climate-smart agriculture strategies of the Cerrado das Águas Consortium, through the participation of the scientific community.

Sustainable Financing

Sustainable financing mechanisms generate funding for the long-term (generally five or more years). These include, but are not limited to, conservation trust funds, debt-for-nature swaps, payment for ecosystem services (PES) schemes, and other revenue, fee or tax schemes that generate long-term funding for conservation.

Name of Mechanism	Purpose	Date Established	Description	Country/ Countries	Project Intervention	Delivery of Funds?
Investiment Program in the Consicous Producer	Mission of the mechanism: To invest in the implementation of climate-smart strategies in adjacent rural properties in a given watershed, whose producers agree to join the PIPC, with the aim of restoring ecosystem services to combat the effects of climate change in the Cerrado Mineiro region.	2019	The mechanism for maintaining the actions of the Investment Program in the Conscious Producer provides for the counterpart of the producer, contributions from public and private institutions, as well as from the Cerrado das água Consortium, in the transfer of labour, machinery and/or inputs.	Brazil	Created a mechanism	Financial contribution until 2021 for the actions of the Investment Program in the Conscious Producer: $700,354.13. $410mil from CEPF, $255mil from CCA membership fees, $35,288.00* in labor and machinery from the City of Serra do Salitre and $18mil* in seedlings from Daterra Coffee. In addition, the

Name of Mechanism	Purpose	Date Established	Description	Country/ Countries	Project Intervention	Delivery of Funds?
						producers gave in return for the development of the strategies the value of approximately $28mil*. *estimated values based on the services and inputs delivered considering the dollar at R$5.00

Globally Threatened Species

Globally threatened species (CR, EN, VU) on the IUCN Red List of Threatened Species, benefitting from the project.

Genus	Species	Common Name (English)	Status	Intervention	Population Trend at Site

LESSONS LEARNED

The initial proposal of the project was to conduct negotiations with producers in a collective way and through a workshop. In the first workshop and 2019, we lived this experience of carrying out the agreement of investments and counterparts with producers in a shared way. However, when we had to adapt to the Covid-19 pandemic we were forced to meet individually with producers and we had to adapt so as not to leave the essence of the work and collective effort to preserve the basins aside. With this, we realized that it was much more productive to talk with producers one on one, as they felt more comfortable to discuss the PIPs, talk about the counterparts and needs of their properties. We improved the methodology and this year, during the expansion in Serra do Salitre, we held a collective workshop with key community players to present the PIPC and the basin diagnosis, seeking new partners for the project and, right after the workshop, we held individual meetings with the farmers.

Another lesson learned was in relation to the public power of the project implementation location. This step is extremely important and should be considered to be carried out before the start of the IPCC activities. The partnership should be established as a requirement for investment in the municipality.

We learned that planning when it involves the availability of third party resources should be done well in advance. When we started the first implementation we understood that the producers would have the implements and machinery necessary for the execution of the actions of planting and crop strategies and that they could put in return. However, the vast majority do not have such implements and machinery and we had to borrow at a time when availability is extremely crowded.

SUSTAINABILITY/REPLICATION

The great challenge of the project was to put into practice an idea that was on paper. The development of the whole methodology, from the construction of the dialogue with the producers to the engagement of the actors with the PIPC proposal, the lack of confidence of the local actors in the origin of the resources, to breaking the paradigm in the use of certain practices, such as organic herbicides and anticide, were challenging actions for us.
Another major challenge remains securing the financial resources to implement long-term, large-scale strategies to secure the provision of ecosystem services. To this end, we have worked steadily to connect with local stakeholders and actors. We have introduced the CCA to potential partners such as Starbucks, Sucafina OLAM Group, Atlantida, as well as made efforts to sign a partnership agreement with the government to guarantee staff and machinery. We have also contacted companies such as federal universities in the region to collaborate with the contribution of non-financial resources such as the necessary inputs and geoprocessing studies to reduce the costs of implementing the strategies. During 2021, we engaged in dialogue with several financial institutions, such as BDMG, Rabobank, GAIA, JGP, and SICOOB, in order to develop a line of financing at lower interest rates than those available on the market, so that farmers can have the opportunity to implement the strategies in their fields at reduced costs. An expert in fundraising was hired to prepare our Fundraising Plan and the prospection of possible financing institutions was made so that we can see the future possibilities of fundraising.
In 2021 we faced the worst drought since the phenomenon began to be measured in 1910 and the worst frost in 27 years. We had an almost 30% loss of coffee in the basin and 30.4

of native vegetation severely affected. Our native seedling planting areas were affected by a significant loss of seedlings. In addition to replanting the seedlings, we will seek to identify which seedlings are more resistant to these climatic phenomena.

While the initial challenge was to engage the producers, the concept of a collaborative platform was a success. The social actors in the basin understood that they can be the historical subject of change. The participation of the coffee production chain and a major global financier showed producers that the collaborative effort exists, but that the objectives would only be achieved if they also mobilised themselves. The concept of a collaborative platform, together with the concept of a watershed, i.e. a geographical unit for the management of ecosystem services, also helped farmers internalize the concept of a common purpose to achieve climate resilience within the areas where their properties are located, ensuring coffee production in the Cerrado Mineiro region.
The construction of a replicable method on a large scale gives the project the great success of the PIPC. This year, 2021, we were able to advance and expand the actions to Serra do Salitre, optimizing resources and processes and including new partners in the platform. Thus, the PIPC proved to be a scalable model, because during the pilot project it was possible to standardize the internal processes and procedures, the PIPs (Individual Property Plans) and the menu of climate-smart agriculture strategies, in a model capable of teaching producers about how to do it, what the costs are and how to monitor. The workshop model for negotiating with farmers was refined during this time, making it possible to develop the implementation of the restoration actions and strategies in the field with processes and logistics that optimised costs and implementation time. Thus, the pilot project was essential for the development of this replicable methodology in scale and will allow the construction of sustainable productive landscapes in watersheds, speeding up the process of restoration of ecosystem services, ensuring greater resilience to climate change for producers in the Cerrado Mineiro region

ENVIRONMENTAL AND SOCIAL SAFEGUARDS/STANDARDS

Throughout the development of the implementation of the Investment Programme in the Conscious Producer in the Córrego Feio basin, the safeguards of social and environmental aspects were considered.
The social Safeguard needed was in relation to the Covid-19 pandemic. We had to adopt strict protection measures for staff and producers. For the implementation period of the strategies, the measures taken to mitigate the risks of contamination were:
1) Stop receiving producers at the office and the PIPC presentation phase was conducted directly at the producer's farm.
2) Always remain in open-air locations, i.e. do not enter producers' homes during visits
3) Guide the CCA team on the risks of contamination and measures to avoid the risks. Everyone signed a statement certifying that they were aware of the actions necessary to mitigate the risks.
4) Work at home during the critical moments of the pandemic.
5) Carry out individual consultations with farmers instead of collective workshops, with prior scheduling and a 30-minute interval between farmers so that the environment could be sanitized and to ensure there was no crowding at the site.
6) Demand from the company contracted to manage the field workers, a Safety Protocol against COVID-19, stating the commitment to guide all workers, as well as providing all types of equipment necessary for the work to be carried out with maximum safety.

Among the environmental safeguards, respect for the Brazilian Forest Code (environmental

law) in the creation of maps by farms, in order to respect the requirements in force in the legislation was considered, as well as the municipal legislation protecting the Córrego Feio.

ADDITIONAL COMMENTS/RECOMMENDATIONS

ADDITIONAL FUNDING

Total Amount of Additional Funding Actually Secured (USD)	$301,000.00
Breakdown of Additional Funding	IMAFLORA contributed $5,000.00 for the construction of the Climate-smart Agriculture Indicators CCA member companies contributed - $255,000.00 until 2021 regarding the payment of membership fees. They are: Lavazza, Nespresso, Nescafé, Cooxupé, Expocaccer, NKG Stoclker, Volcafé, Cofco International. Serra do Salitre municipality contributed $23,000.00. This amount was estimated considering a team of 9 people * R$160/day * 4 months (3 months of planting and 1 month for maintenance) and an approximate value of 20,000.00 for machinery rental Daterra Coffee contributed $18,000.00 for the estimated donation of 30,000 seedlings at an average cost of R$3.00 per seedling.

INFORMATION SHARING AND CEPF POLICY

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. For more information about this project, you may contact the organization and/or individual listed below.

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