

# FINAL PROJECT COMPLETION REPORT

## I. BASIC DATA

**Organization Name:** World Wildlife Fund, Inc.

**Project Title:** Creation and Effective Management of Forest Protected Areas in Peru

**Project Dates:** July 2002 – October 2004

**Date of Report:** January 12, 2005

## II. OPENING REMARKS

***Provide any opening remarks that may assist in the review of this report.***

The Tropical Forest Conservation Act (TFCA) subsidized debt-for-nature swap between the United States and Peruvian Governments aims to protect Peruvian tropical forests by guaranteeing long-term funding for the creation and effective management of selected priority National Protected Areas System (SINANPE) sites. WWF's contribution of \$366,667 to this debt swap (of which CEPF contributed \$200,000) will generate \$3.5 million in local currency over a period of 12 years (2002 – 2014). WWF-Peru has selected three protected areas within the Vilcabamba-Amboro Corridor and the Southwestern Amazonian Moist Forests Ecoregion as priority areas to receive funding from the TFCA for conservation action. The areas are: Manu National Park, Amarakaeri Communal Reserve and Alto Purus Reserved Zone (recently categorized as Alto Purus National Park and Purus Communal Reserve). In these areas, grants have been awarded to local Peruvian NGOs to carry out activities related to the creation and/or effective management of the protected areas. The TFCA oversight committee (composed of one member each from the US Government, Government of Peru, Conservation International, The Nature Conservancy and World Wildlife Fund; PROFONANPE participates as a non-voting member) reviews proposed conservation projects on a bi-annual basis and approves the award of a limited number of grants. Key criteria for project selection include the capacity of the applicant to achieve desired conservation outcomes. To date, WWF-Peru has supported funding (following a competitive grant application process) to ACPC, a local NGO, to work together with INRENA to carry out anti-illegal logging activities in key zones neighboring the Alto Purus Reserved Zone and work with multiple stakeholders in sustainable forest management, and Racimos de Ungurahui to complement the UNDP-funded project aimed at the co-management of Amarakeri Communal Reserve through sustainable natural resource management, institutional strengthening, capacity building, and concrete anti-illegal logging activities.

### III. ACHIEVEMENT OF PROJECT PURPOSE

**Project Purpose: Improved protection of approximately 4.8 million hectares of tropical forest in Manu National Park, Amarakaeri Communal Reserve and Alto Purus Reserved Zone.**

#### Planned vs. Actual Performance

Indicator	Actual at Completion
<b>Purpose-level:</b>	
<b>Indicator 1.1.</b> <i>Management effectiveness scorecard shows significant improvement for Manu National Park, Amarakaeri Communal Reserve and Alto Purus Reserved Zone by the end of the project</i>	<p><b>Amarakaeri Communal Reserve:</b> Consultative process for the approval of the Special Regimen for Communal Reserve Co-Management completed at the national and currently being finalized at the regional level. Local capacity building undertaken with respect to the implementation of the co-management guidelines. Potential future indigenous park guards trained in intensive capacity building course.</p> <p><b>Alto Purus Reserved Zone:</b> Final categorization of Alto Purus Reserved Zone as a National Park and a Communal Reserve completed. Alto Purus Management Committee established. INRENA strengthened to undertake concrete anti-illegal logging activities along the southwestern and southeastern boundaries of the Alto Purus Reserved Zone.</p> <p><b>Transversal:</b> Capacity building of park guards in biological monitoring.</p>
<b>Indicator 1.2.</b> Three control posts established and manned by park guards and police lead to reduction in illegal logging in Manu and Alto Purus.	Two control posts established and functioning along the Inuya and Sepahua Rivers – protecting the southwestern zone of Alto Purus. One further control post located along the Las Piedras River supported in terms of salaries and operational costs – protecting the southeastern flank of the Alto Purus Reserved Zone (using funding from the Gordon and Betty Moore Foundation).
<b>Indicator 1.3.</b> Boundary disputes around Alto Purus Reserved Zone resolved	Support for cadastral studies, resolution of potential boundary conflicts, formalization of indigenous communities so as to facilitate signing of boundary agreements following the final categorization of the Alto Purus Reserved Zone, and boundary signposting along major rivers that flow out of the reserved zone.

***Describe the success of the project in terms of achieving its intended impact objective and performance indicators.***

The results above indicate that the project has achieved its intended impact objective. The project has contributed to the creation of a large complex of protected areas and indigenous territories, allocating a high level of protection (IUCN category II) to over 4.2 million hectares of high biodiversity tropical rainforest.

The performance indicators illustrate that conservation results have been greatest in the Alto Purus Reserved Zone and Amarakaeri Communal Reserve. In these areas, concrete activities have resulted in improved management effectiveness. Intense efforts

have secured anti-illegal logging activities by the Peruvian Government around the Alto Purus Reserved Zone and Manu National Park, although the effectiveness of these activities has been somewhat limited due to institutional weaknesses and competing political objectives, illustrating the importance of concrete support from top-level government ministers for the success of anti-illegal logging activities. One specific example concerns the lack of participation of armed forces in the implementation of these control posts, making effective operations against the armed illegal loggers that operate in these isolated zones difficult.

It is important to note that funding from the Gordon and Betty Moore Foundation and USAID have been used to complement funding from the TFCA for the planned conservation actions.

***Were there any unexpected impacts (positive or negative)?***

N/A

#### IV. PROJECT OUTPUTS

***Project Outputs:*** Enter the project outputs from the Logical Framework for the project

##### Planned vs. Actual Performance

Indicator	Actual at Completion
<b>Output 1:</b> Manu National Park, Alto Purus Reserved Zone and Amarakaeri Communal Reserve management effectiveness strengthened through increased collaboration with communities and protected area staff training	Increased stakeholder participation in natural protected area management secured through the establishment and functioning of the Alto Purus Management Committee; the consultation of the Special Regimen for the Co-Management of Communal Reserves; and the active participation of indigenous federations in the implementation of anti-illegal logging control posts. Protected area management capacity increased through the training of park guards in biological monitoring techniques, and the training of potential future indigenous park guards around the Amarakaeri Communal Reserve.
<b>Indicator 1.1.</b> Strengthen role of community management committees in Manu National Park through a series of three stakeholder meetings	Activity not undertaken.
<b>Indicator 1.2.</b> Formation of two community management committees, one in Amarakaeri Communal Reserve and one in Alto Purus Reserved Zone, and subsequent meetings	Alto Purus Reserved Zone Management Committee established and functioning. The establishment of the Amarakaeri Communal Reserve Management Committee has been delayed, pending the approval of the co-management guidelines for Peruvian communal reserves. However, concrete advances have been taken to strengthen local stakeholder knowledge of the proposed guidelines and promote local participation in the definition of the management model proposed for the Reserve.

<b>Indicator 1.3.</b> Chief and park guards of Amarakaeri Communal Reserve, Manu National Park and Alto Purus Reserved Zone trained to carry out biological monitoring in a one-week workshop	Financing of 10 park guards to participate in a biological monitoring workshop.
<b>Indicator 1.4.</b> Follow-up workshop to present biological monitoring results (enabling adaptive management), address any problems and retrain where necessary	Follow up of biological monitoring workshop undertaken during Scorecard analysis of the management effectiveness of the targeted natural protected areas.
<b>Output 2:</b> Reduction in illegal logging activities in the Inuya, Sheshea and Las Piedras River basins (affecting both the Manu National Park and Alto Purus Reserved Zone)	Joint analysis undertaken with INRENA to define priority zones for the establishment and functioning of anti-illegal logging control posts around the Alto Purus Reserved Zone and Manu National Park. Inuya and Sepahua Rivers identified as priority along the southwestern flank of the Reserved Zone, and Las Piedras River along the southeastern flank. Two control posts constructed, personal contracted by INRENA, and operational costs covered for the control posts located along the Inuya and Sepahua Rivers. Operational and personnel costs covered for the control post located along the Las Piedras River.
<b>Indicator 2.1.</b> New and/or improved control post infrastructure on Inuya and Las Piedras Rivers by October 2003	New control post infrastructure on Inuya and Sepahua Rivers. Refurbishing of control post along the Las Piedras River completed.
<b>Indicator 2.2.</b> Park guard and police presence in all three control posts (Sheshea, Las Piedras and Inuya)	Park guard presence secured in the control posts located along the Inuya, Sepahua and Las Piedras Rivers. Additionally, indigenous participation in the operation of the control posts has been secured. Police presence has been impossible to obtain to date.
<b>Indicator 2.3</b> INRENA park guards and Ecological Police trained	Ecological police trained in an intensive anti-illegal logging capacity building course. Financing offered to INRENA for the training of park guards has not been used.
<b>Output 3:</b> Boundary disputes around Alto Purus Reserved Zone resolved	Actual and potential boundary disputes around the Alto Purus Reserved Zone have been resolved.
<b>Indicator 3.1.</b> Legal information concerning land titles collected and analyzed by October 2003	Legal information concerning 10 indigenous communities collected and analyzed.
<b>Indicator 3.2.</b> Cadastral studies carried out in conflict zones around Alto Purus by October 2003	Cadastral studies carried out by the Institute of the Common Good.
<b>Indicator 3.3.</b> Agreements negotiated between stakeholders by June 2004	Signing of agreements between the indigenous communities and the Alto Purus Reserved Zone has been delayed, pending the final categorization of the area. Following the final categorization in November 2004, the signing of boundary agreements is planned for early 2005.
<b>Indicator 3.4.</b> Digital information gathered integrated into Public Offices by October 2004	The achievement of this indicator has been delayed due to a methodological discussion between PETT (Special Project of the Peruvian Government for Land Titling and Rural Cadastral Activities) and NGOs that are currently undertaking cadastral activities with indigenous communities. WWF-Peru has been actively participating in national level discussions aimed at consolidating a methodological approach at a national level that secures government validation of the extensive work undertaken by NGOs as well as the approval of a uniform methodology for cadastral studies.
<b>Output 4</b> TFCA grants program established and functioning to enable sustainable funding of the Vilcabamba-Amboro Corridor in Peru until 2014	TFCA grants program has been established and is actively functioning.

<b>Indicator 4.1.</b> TFCA Oversight committee meeting every six months from October 2002	Meetings of the Supervision Committee undertaken on the 18 <sup>th</sup> of October 2002, 29 <sup>th</sup> of April 2003, 24 <sup>th</sup> of October 2003, 10 <sup>th</sup> of March 2004, and the 29 <sup>th</sup> of November 2004.
<b>Indicator 4.2.</b> TFCA grant agreements incorporate CEPF/GEF/WB safeguards and financial management procedures	CEPF/GEF/WB safeguards and financial management procedures incorporated. All projects approved by the Supervision Committee are to be audited using auditors recognized officially by PROFONANPE.
<b>Indicator 4.3.</b> TFCA grant oversight system (i.e., project monitoring) operational from date of first grant approvals.	Project monitoring is compulsory in every grant approved by the TFCA. It is undertaken by the promoting international NGO (CI, TNC or WWF) and, where applicable, the Peruvian Government.
<b>Indicator 4.4.</b> Approximately \$800,000 in grants disbursed by October 2004.	To date, US\$876,868.78 has been disbursed.

***Describe the success of the project in terms of delivering the intended outputs.***

**Output 1: Manu National Park, Alto Purus Reserved Zone and Amaraeri Communal Reserve management effectiveness strengthened through increased collaboration with communities and protected area staff training.** Work in and around the Alto Purus Reserved Zone has successfully strengthened management effectiveness through both increased collaboration with local communities and increased collaboration with regional governments and other important civil society institutions in the two departments within which the Alto Purus Reserved Zone is located. In the Amaraeri Communal Reserve, concrete activities have contributed significantly towards preparing indigenous community leaders and associated representative indigenous federations for the implementation of the co-management guidelines for the effective management of Peruvian Communal Reserves. At a national level, WWF has been active in legal discussions during which the co-management guidelines have been discussed and debated.

At the national level, US\$25,000 of TFCA funding has been set aside annually to finance the participation of INRENA protected area personnel and other local actors involved in natural protected area establishment and effective management activities in capacity building courses at a national or international level.

**Output 2: Reduction in illegal logging activities in the Inuya, Sheshea and Las Piedras River basins (affecting both the Manu National Park and Alto Purus Reserved Zone).** Following a request from INRENA, WWF-Peru contracted a team of consultants to analyze the extent of illegal logging along the Las Piedras River and identify the various timber extraction routes that cross from the forest concessions into the Territorial Reserve for Indigenous in Voluntary Isolation (which neighbors the Alto Purus Reserved Zone). This study identified a total of 46 logging camps within the Territorial Reserve and the Alto Purus Reserved Zone, and a large number of timber extraction roads leading to forest concessions.

Austerity measures in Peru over the last year have led to budget cuts within INRENA of over 30%. This has instigated the deactivation of a number of forest control posts, including the control post located along the Las Piedras River and has also prevented proactive initiatives to combat illegal logging in some of the worst affected areas (corresponding with protected areas and indigenous territories with remaining populations of big-leafed mahogany).

The local NGO (ACPC) has worked together with INRENA in the design and implementation of a comprehensive anti-illegal logging strategy for the Inuya and Sepahua Rivers. This strategy has resulted in the construction and implementation of 02 control posts along critical rivers neighboring the southwestern boundary of the Alto Purus Reserved Zone. The two terrestrial control posts were completed on the Inuya and Sepahua Rivers and officially handed over to INRENA in 2003. Forest technicians contracted by INRENA for the implementation of these control posts are presently executing a detailed activity plan, including patrols in the areas most affected by illegal logging.

Working together with INRENA and the Indigenous Federation in Madre de Dios (FENAMAD), WWF-Peru has recently contracted two forest technicians, three professional park guards and two indigenous technicians (the contracting of personnel from three different institutions aims to secure minimal corruption) in order to reactivate the control post. The reactivation of this control post is critical to reduce illegal logging pressure along the Las Piedras River, where illegal mahogany logging levels are amongst the highest in Peru. Additional work is being undertaken with FENAMAD and the indigenous community of Monte Salvado (that neighbors the territorial reserve), in order to strengthen transparent community governance and promote sustainable forest management on community lands as an alternative to illegal logging within Alto Purus.

For the three control posts mentioned, essential operating equipment (boat engines, GPS, boats, binoculars, night lights, etc.) have been purchased, and operating costs, regular supervision visits by INRENA staff, as well as training for control post personnel are being facilitated.

Although these control posts have served to increase state presence in the targeted zones, the lack of participation of armed forces (despite the provision of specific funding to facilitate their participation) has not been secured. A lack of commitment at the regional level to designate police / armed personnel to the control posts, and an inability at the national level to secure the active cooperation necessary from the Ministry of the Interior, limits the capacity of the control posts to effectively tackle the large-scale, armed illegal logging of mahogany that occurs in the zone.

**Output 3: Boundary disputes around Alto Purus Reserved Zone resolved.** Actual and potential boundary disputes have been successfully resolved through support to a negotiation process between indigenous communities and the government. Fieldwork by the Special Project for Land Titling and Rural Cadastral Studies has resolved the largest potential boundary conflict associated with the final categorization of the Alto Purus Reserved Zone as the Alto Purus Communal Reserve and the Alto Purus National Park. Additionally, boundary markers along main access routes into the Alto Purus Reserved Zone have been signposted, thereby increasing local level knowledge of the limits of the area.

**Output 4: TFCA grants program established and functioning to enable sustainable funding of the Vilcabamba-Amboro Corridor in Peru until 2014.** The TFCA Committee is meeting regularly, once every six months. During these meetings, a total of six projects for conservation actions within the Vilcabamba- Amboro Corridor in Peru have been approved:

1. *Construcción e implementación de Puestos de Control Forestal en Alto Purús, Ucayali.*
2. *Constitución de Áreas de Conservación Municipal en espacios interdistritales de: San Jerónimo-Oropesa-San Salvador, Acopia–Pomacanchi e incidencia en el distrito de Machu Picchu del departamento del Cusco y el Corredor de Conservación Transfronterizo Vilcabamba (Perú) – Amboró (Bolivia).*
3. *Implementación del Centro del Bosque de los Niños en Madre de Dios, Perú.*
4. *Fortalecimiento institucional y de capacidades para la participación indígena en la conservación, control y manejo de la biodiversidad en la Reserva Comunal Amarakaeri, las comunidades y la Reserva para Indígenas Aislados en Madre de Dios, Perú.*
5. *Conservación de los Recursos Forestales en la Cuenca del Río Sepahua, Ucayali.*
6. *Evaluación Inicial de Hábitat y Estructura de Bosque en la Estación Biológica La Nube – Parque Nacional Bahuaja-Sonene (EBLN – PNBS), Madre de Dios.*

Additionally, the TFCA Supervision Committee is currently discussing guidelines for the elaboration and approval of short-term projects. Critical factors determining the approval of projects include conservation impact, urgency, long-term sustainability, counterpart funding, provisions for monitoring and supervision, and relevance to the national protected area creation and effective management strategy.

***Were any outputs unrealized? If so, how has this affected the overall impact of the project?***

Project output number 1: Manu National Park, Alto Purus Reserved Zone and Amarakaeri Communal Reserve management effectiveness strengthened through increased collaboration with communities and protected area staff training, has only partially been realized. Specifically, activities concerning the implementation of the Manu National Park management committee have not been implemented. The associated effect on the overall impact of the project has been minimal.

## V. SAFEGUARD POLICY ASSESSMENTS

***Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.***

N/A

## VI. LESSONS LEARNED FROM THE PROJECT

***Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.***

1. WWF noted the importance of carefully prioritizing conservation activities and limiting efforts to just two or three main conservation activities at a time. The assumption of too many projects leads to funds being overly dispersed and insufficient to meet project needs.

2. WWF recognizes the importance of political stability to the achievement of significant conservation gains. Instability and institutional discontinuity detracts from the effectiveness of long-term investments.
3. The battle against illegal logging is tough and risky. Opposition to forest concessions has largely been generated by a highly politically and economically influential illegal loggers that have historically threatened Congressmen and incited violent demonstrations and strikes. In order to respond to this situation, WWF-Peru staff have launched comprehensive advocacy, communications and awareness raising campaigns targeting politicians, loggers and the public; and support close collaboration between multiple sectors of the government. It is very important that the process of naming and installing the Executive Multi-Sectoral Commission Against Illegal Logging be completed. It is evident that illegal logging is a multi-sectoral problem that requires the active participation of multiple ministries in order to be effectively addressed. Concerning this project, the most urgent need for coordination involves securing the active participation of the Peruvian police force in anti-illegal logging activities as the stakes at play are high. Mahogany represents the 'red gold' of the Amazon Basin, illegal logging is often linked with the drug trade, and illegal logging is always undertaken by armed persons.
4. Effectively tackling illegal logging activities requires long-term support.
5. An unstable political environment challenges the development of collaborative, sustainable and successful efforts with government institutions.
6. It is essential to involve local and regional stakeholders, as well as national level authorities, in conservation activities so as to secure a solid foundation for the long term sustainability of associated actions. WWF-Peru has pioneered the active participation of multiple stakeholders in the fight against illegal logging. At the regional level, for example, the control post located on the Las Piedras River has been implemented together with FENAMAD - one of the first control posts in Peru to be jointly implemented by the government and indigenous organizations.

***Project Design Process: (aspects of the project design that contributed to its success/failure)***

**Participatory project design:** The project design process, in close coordination with INRENA and the Ministry of Agriculture, facilitated the approval of the short-term projects by the TFCA Supervision Committee.

**Local institutional strengthening:** TFCA-funded projects strengthen the capacities of local NGO actors to work together with the National Government and successfully implement complicated and challenging conservation projects in the field.

***Project Execution: (aspects of the project execution that contributed to its success/failure)***

**Technical and financial support to government institutions:** This is needed to increase the ability of under-funded government institutions to implement critical field activities.

**Participation of multiple stakeholders in project implementation:** The participation of multiple stakeholders from the national to local levels has secured the implementation of site-appropriate activities that have national level backing and support. Additionally, this design contributes towards social controls that guard against corruption amongst

forest control officials. Unfortunately, participation has not guaranteed the important inter-ministerial coordination necessary to guarantee the presence of armed personnel in the anti-illegal logging control posts.

**Capacity building:** Capacity building programs strengthen local and national level governmental institutions as well as civil society organizations, contributing to securing the long-term sustainability of projects implemented.

**Monitoring and supervision:** Obligatory designation of funds for monitoring and supervising the implementation of the projects funded by the TFCA secure a built-in mechanism for adaptive management, by both national level government institutions and WWF-Peru.

## VII. ADDITIONAL COMMENTS AND RECOMMENDATIONS

The TFCA Debt-for-Nature Swap in Peru has raised critical long-term funding for conservation actions in the Vilcabamba-Amboro Corridor in Peru. The implementation process, through local NGOs, contributes to building the capacity of these organizations in Peru. Future funding under such mechanisms should expand the ambit of implementing organizations to include local governments and civil society organizations, for example, local forest management committees and indigenous federations.

## VIII. INFORMATION SHARING

CEPF aims to increase sharing of experiences, lessons learned and results among our grant recipients and the wider conservation and donor communities. One way we do this is by making the text of final project completion reports available on our Web site, [www.cepf.net](http://www.cepf.net), and by marketing these reports in our newsletter and other communications. Please indicate whether you would agree to publicly sharing your final project report with others in this way.

Yes  x  
No

If yes, please also complete the following:

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