

An Overview of CEPF's Portfolio in the Vilcabamba-Amoró Forest Ecosystem of the Tropical Andes Hotspot

The Vilcabamba-Amoró Forest Ecosystem is situated in the southern half of the Tropical Andes Hotspot, stretching from the Vilcabamba mountain range in south-central Peru southeast to Amoró National Park in central Bolivia. Three large and distinct protected area complexes, composed of national parks, reserves, multiple-use areas, and indigenous reserves were identified in the Ecosystem Profile as the primary focal points in this region. They provide the basic structure of the CEPF portfolio in this top priority Hotspot region.

Together, the three protected-area complexes within this forest ecosystem form a biodiversity corridor that supports remarkable biological and cultural diversity. Between these complexes lie private and public lands in various stages of development, ranging from untouched to completely devastated. When stitched together into a single chain of 30 million hectares, the Vilcabamba-Amoró Corridor takes on a biological and cultural richness probably unparalleled anywhere else in the world. The primary focus of CEPF in this region has been supporting efforts to stitch these three complexes into a functioning biological corridor and to increase the protected area of status of the land within them.

As in most of South America, the Vilcabamba-Amoró Corridor is threatened by human activity and rapid population growth. Direct threats include vulnerable and inadequately managed protected areas, hydrocarbon development, gold mining, uncontrolled logging, road construction and associated colonization, dam construction, insufficient information on the biological and socio-economic characteristics of the region, and limited collaboration and information sharing among stakeholders in the corridor.

The Critical Ecosystem Partnership Fund (CEPF) began funding for this hotspot in early 2001 with a \$6.15 million initial investment strategy to be implemented over 5 years. The heavy focus of this strategy has been to develop coordination among many actors across a large bi-national area, shifting the conservation scale from site-based interventions to a corridor approach. In order to do this, CEPF has directed its investments toward a trans-boundary coordination mechanism, strong emphasis on the protected areas within the three complexes and the policies that support them, and support for varied efforts to increase public awareness of the corridor. Combining the CEPF strategy with other major conservation efforts in the region is intended to produce a consolidated protected area network and improved management of critical habitats.

The niche identified for CEPF in Vilcabamba-Amoró is to build the capacity of civil society to manage biodiversity conservation more effectively within the corridor. By supporting a network of complementary conservation activities, our goal is to encourage conservation actors, government agencies, and indigenous communities to move away from familiar site-based and fragmented projects and to develop a consensus at all

levels around the large-scale corridor concept. The specific strategic directions designed to achieve these outcomes include:

1. *Establish effective mechanisms for transboundary coordination, collaboration and catalytic action.*

The importance of establishing effective mechanisms for trans-boundary coordination as part of the shift to thinking on such a large geographic scale was clear from the outset. The idea laid out in the strategy was to establish a core bi-national working group of NGOs and government agencies to coordinate the efforts of many and ensure a sense of collaboration around a common goal. With effective coordination, the sum of the participants' actions should result in impacts far greater than the separate results of numerous small and unconnected projects.

2. *Strengthen bi-national coordination of protected areas systems.*

The corridor contains a multitude of protected areas across the three complexes, some created prior to CEPF investments. These protected areas had varying degrees of planning and management, as well as varied local capacity to implement plans in existence. The focus of this strategic direction has been to support efforts to strengthen protected areas by formulating strategic plans, building financial and administrative capabilities, establishing joint management arrangements among NGOs, indigenous groups, and communities, and ensuring that long-term monitoring and management systems are present in protected areas throughout the corridor.

3. *Encourage community-based biodiversity conservation and natural resource management.*

Confronted by hundreds of diverse and often conflicting indigenous, mixed-race, and colonist communities in and around the Corridor's protected areas, CEPF has supported a series of initiatives to strengthen community-based biodiversity conservation and natural resource management. These initiatives include local environmental education programs, the introduction of new techniques and economic alternatives, and support for developing community natural resource management plans. Because CEPF's investment cannot cover all of these needs across such a large corridor, emphasis was placed on creating a series of successful models that could be replicated among the region's highly varied local communities.

4. *Strengthen public awareness and environmental education.*

Due to the shift from site-based conservation actions to a corridor approach, building awareness of the conservation agenda among key actors is an essential element of the corridor strategy. CEPF has focused its efforts on reaching a wide array of participants, including local and regional decision-makers, donors, local communities, NGO actors and private sector stakeholders, to inform them and involve them in the conservation debate. The intention is to shape policy decisions and investments in support of a shared, locally-owned conservation and regional development agenda.

5. *Strengthen environmental and legal policy frameworks.*
Because mining, logging, road building, agricultural expansion, dam construction, hydrocarbon development and unregulated tourism pose such significant threats to the conservation agenda in the corridor, CEPF places a priority on supporting projects that seek to influence donors, policy makers, concessionaires, and others for the purpose of mitigating the effects of infrastructure and agricultural development projects, extractive industries, and large-scale tourism. A diverse set of projects was anticipated from the beginning to include detailed threat assessments (including reviews of macroeconomic drivers and development), the development of policies and legal recommendations, and stakeholder and other participatory processes.
6. *Establish an electronic information exchange and coordinated information and data gathering mechanism.*
In such a large bi-national area, a necessary element of the strategy is to spend time and resources supporting the development of monitoring frameworks and catalyzing the establishment of an integrated information system that provides meaningful links among the major "building blocks" (protected areas, indigenous reserves, etc.) of the corridor.

Coordinating CEPF Grantmaking on the Ground

The coordination mechanism for the Vilcabamba-Amboró corridor was established to serve as local corridor-wide conservation planning unit, and to provide an effective mechanism for trans-boundary coordination, collaboration and catalytic action. The CEPF Coordination Mechanism was intended to meet the objectives identified by strategic direction #1, the core element of CEPF's objectives in this corridor. Thus, establishing a coordination mechanism within the region was the first priority when grant funding became available and the development and implementation of an extensive communications program for the corridor soon followed. The coordination mechanism was designed with a set of specific functions that included:

- Build strategic alliances and partnerships to ensure delivery of conservation outcomes.
- Increase capacity of local institutions to ensure that the conservation outcomes are being achieved.
- Support the increase in the number and size of protected areas and their effective management, and to protect endangered and endemic species in the defined conservation outcomes.
- Increase the flow of financial resources to support the conservation outcomes.
- Coordinate with key partners to further the corridor vision and promote greater integration between diverse and often isolated interventions.
- Actively solicit proposals from potential partners that strategically contribute to the strategy.
- Take an active role in the review and development of partner proposals.
- Participate in the monitoring of external grantee implementation.

The communications strategy developed to complement the coordination mechanism was designed to:

- Inform key audiences in the public and private sectors (national and regional government, media, community leaders, partners, indigenous groups and NGOs) about the conservation corridor concept, and explain the benefits of the Vilcabamba-Amoró corridor.
- Create an image and identity for the corridor that communicates its importance and benefits.
- Build alliances and catalyze commitment among partners by using a participatory approach to create and implement the communications strategy.
- Generate political will in support of the Vilcabamba-Amoró conservation corridor.
- Inspire a favorable attitude and support among key audiences (media, private sector, communities and partners) toward corridor implementation.
- Integrate communications initiatives among the projects being implemented throughout the corridor to ensure consistency and coherence.

Corridor and Outcomes Approach to Grantmaking

The concept of outcomes was under development during the CEPF ecosystem profile preparation phase for the Vilcabamba-Amoró corridor, and CEPF was challenged to explore how it could measure and monitor the success of the corridor initiative that was the underpinning of the ecosystem profile. CEPF catalysed this process by supporting CI-Bolivia and CI-Peru to create a map illustrating the current state of the corridor (2001) and 5- and 10-year vision maps. These three maps have enabled corridor partners and managers to visualize how each CEPF-supported project, other projects and proposed activities relate to the shared goal of corridor conservation, particularly in terms of areas protected and corridors created (maps are included following the overview).

In this initial stage of outcome definition, CI-Peru and CI-Bolivia identified five measures to capture the expected results of their actions. These were:

- protected areas consolidated;
- new protected areas established;
- connectivity created between core zones;
- changes in people's use of natural resources; and
- control of major threats.

These measures enhanced the strategic funding directions set out in the CEPF ecosystem profile by identifying priority protected areas and areas for connectivity. This approach in Vilcabamba-Amoró proved to be of such value that that CEPF has subsequently invested significant resources for defining and incorporating science-based conservation outcomes into the profiling process for each hotspot authorized for CEPF investment.

CEPF began implementation in the Vilcabamba-Amboró Corridor in 2001 and to date has committed \$4,542,179 in support of 27 projects (Chart 1, all charts are included following the overview). Charts 2 and 3 illustrate the overall status of the portfolio and the timeline of grant commitments.

Fundamental to this portfolio of projects has been the support to the trans-boundary coordination mechanism that has successfully raised awareness of the need for large-scale conservation actions in the region. In addition, CEPF has helped support a large Debt-for-Nature Swap through a grant to the World Wildlife Fund, leveraging significant resources toward the creation and effective management of protected areas in Peru.

Corridor Highlights: New Protected Areas Established or Consolidated

The 2003 publication *Estrategia Basica de Implementacion del Corredor de Conservacion Vilcabamba-Amboró (Peru – Bolivia)* or Basic Implementation Strategy for the Vilcabamba-Amboró Conservation Corridor, documents the history and results of separate workshops in Bolivia and Peru and one binational workshop to develop the strategy and expresses a consensus among government and civil society participants.

A meeting of the directors of Madidi National Park, Bahuaja-Sonene National Park and Tambopata National Reserve resulted in a landmark transnational agreement for joint coordination and implementation of their management efforts. These three protected areas share common borders and are priority sites for conservation in the corridor strategy.

Consolidation of 450,000 hectares in the Pílon Lajas Biosphere Reserve was secured through financing of a compensation package for a private company to give up its logging concession – a move that secured the immediate protection of 83,000 hectares of primary forest.

CI's transboundary project also fostered close working relationships between the Bolivian government and local NGOs to create a new 600,000-hectare municipal park, Altamachi-Cotacajes, that links Madidi National Park, Pílon Lajas Biological Reserve and Isiboro Secure National Park with Carrasco National Park.

The project "Prevention of Human-Induced Forest Fires in Madidi and Apolobamba National Parks" (8/02-12/03) implemented by CARE-Bolivia directly impacted the core area of this complex. Specifically, CARE worked with local communities and farmers to reduce uncontrolled burning that poses serious ecological and economic threats to the region. Through this project, local farmers learned and are incorporating new techniques into their farming practices in the communities of Apolo, San Buenaventura, Ixiamas and Reyes. Some of these communities developed a set of communal norms that include fire prevention activities. The local governments are also incorporating burning control into their Municipal Annual Operations Plans for the coming year. In addition, both the Madidi and Apolobamba protected area administrations included fire control plans into their

programs, with park guards in Pilon Lajas and Madidi national parks and the Biological Station of Beni conducting their own workshops in fire prevention.

Another example of a project aimed at changing community behavior toward more biodiversity-friendly management of their natural resources is the work of the Wildlife Conservation Society in Madidi National Park. Its project, "Organizational Strengthening of the Council of Tacana Indigenous Peoples for Natural Resource Management and Conservation" helped to develop natural resource management regulations in Altamarani, Carmen del Emero, San Antonio de Tequeje and Esperanza de Enapurera. More than 20 communities developed their own regulations for natural resource use as part of the project. These same communities also developed eight local projects to improve natural resource management, including tourism, handicrafts, medicinal plant gardens and native fish farms. In addition, the Tacana indigenous communities successfully demarcated their critical resource zones and developed demonstration sites that are being used to replicate successes in other communities in the Madidi area. These efforts are a direct benefit to the sustainable management of Madidi and the consolidation of the core area of this complex.

A final example of a project aimed at providing communities with sustainable use models to reduce their impacts on Madidi National Park is "Reducing Deforestation in the Buffer Zone of Bolivia's Madidi National Park: Promoting the Cultivation, Manufacture and Use of Bamboo Products" (5/02-6/04) implemented by the Centro de Pueblos Indigenas de La Paz (CPILAP). CPILAP introduced new techniques and marketing skills for local producers of bamboo products, influenced the development of community management plans and provided a replicable model for other communities within the corridor.

In the Cotapata-Amboró complex, Probioma is implementing a project directly linked to improving the protection of Amboró National Park and the Area Natural de Manejo Integrado Amboró (ANMIA) by influencing the way local communities use their natural resources. The project, "Biodiversity Conservation and Participative Sustainable Management of the Natural Resources of Amboró National Park and ANMIA" (4/02-6/04), included the introduction of new agricultural techniques to control crop diseases and pests in 16 communities across four provinces surrounding the park. In addition, Probioma established six demonstration plots where farmers are seeing the results of the new techniques and are taking these back to their own plots. Probioma trained a group of extension workers to go into the communities, investigate problems and teach methods to resolve them. In addition to working with farmers, Probioma is also developing ecotourism training materials and is actively training local guides. A final piece of this local organization's contribution to helping secure the Amboró area is its work in demarcating parts of the Amboró National Park boundary.

Important awareness projects have been implemented throughout the corridor including those of the Instituto Machu Picchu, aimed at improving the management of the Machu Picchu Sanctuary; the Instituto para la Conservacion y la Investigacion de la Biodiversidad (ICIB) developing networks and partnerships among schools throughout Pilon Lajas, Madidi and Apolobamba; and the International Center for Journalists, which has been supported to build the capacity of journalists in both countries to cover issues related to the conservation of biodiversity and to promote the corridor concept.

**Outcome Highlights: New Protected Areas Established or Consolidated
(See table at end of summary for a more comprehensive list of protected
areas established or consolidated)**

Alto Purus Restricted Zone (2.7 million hectares) declared in January 2002.

Amarakaeri Communal Reserve (402,336 hectares) declared in May 2002.

Manu National Park expanded by 12 percent (from 1.533 million to 1.716 million hectares) in July 2002.

Ashaninka and Matsiguenga Communal Reserves and the Otishi National Park created in January 2003, providing a new level of protection to the former Apurimac Restricted Zone with a size of 709,400 hectares.

An important effort toward improving the legal framework for the environment has been the CEPF-supported work of the Sociedad Peruana de Derecho Ambiental (SPDA), which has published a very complete manual advising private landowners on the process of establishing private conservation areas on their property. The final product of this project has received highly positive reviews and this legal concept may be adopted in Bolivia. In addition to the SPDA project, other CEPF-funded efforts have been implemented in evaluating threats and developing new policies and frameworks based on these threat assessments.

CEPF has provided resources to a series of partner organizations across both countries to help establish a Corridor-wide information network. The program, called "The Vilcabamba-Amboró Corridor Biodiversity Information Management System," includes five partner organizations coordinated by Amigos del Museo de Historia Natural Noel Kempff Mercado in Bolivia, which is also receiving CEPF funds to monitor conservation outcomes in the corridor.

Outcome Highlights: Changes in people's management of natural resources

The CEPF funded project “Developing Natural Resource Management Program in Four Communities of the Vilcabamba-Amboró Corridor project” included work directly with 20 communities along the road from Puerto Maldonado to Cusco to introduce improved natural resource management techniques. CI also worked directly with eight coffee cooperatives in Alto Tambopata to introduce environmentally friendly farming techniques to more than 1,000 growers. This helped create a work plan for organic, shade-grown coffee and provided the opportunity to leverage funds for continued work on assisting organic coffee producers in the export of their product. While these are local level impacts, there is a strong potential for scaling up.

The Instituto Machu Picchu (IMAPI) project “Enhancing Public Awareness for Improved Management of the Machu Picchu Sanctuary and its Surrounding Environment” sought to influence the behavior of a variety of actors involved in and around Machu Picchu. IMAPI staff conducted campaigns targeted to these groups, produced and disseminated a video documentary that was broadcast on at six networks, conducted a multitude of radio interviews and produced numerous articles for local newspapers and its own bulletin.

Selva Reps implemented a novel ecotourism project to help ensure that local communities and organizations involved in ecotourism use this activity most effectively to conserve biodiversity and manage their natural resources. The project, “Learning Host-to-Host: Ecotourism Exchange in the Tropical Andes” brought together ecotourism practitioners from some of the most remote regions of the Tropical Andes—members of the native territories of the Achuar in Ecuador, the Quechua-Tacana of Bolivia and the Ese'ejá and riberenhos of Peru—to share their experiences, knowledge, ideas and concerns with each other and with others who are striving to make ecotourism an effective tool for conservation and development.

To increase the attention that biodiversity conservation issues receive in the press, and thus enhance the public understanding of the value of the corridor, CEPF is supporting the International Center for Journalists (ICFJ) project “Building Awareness of the Vilcabamba-Amboró Corridor in Peru and Bolivia.” ICFJ has worked with journalists from radio, television and print media to reach both rural and indigenous populations as well as the urban populations. These journalists, from both countries, have received training about biodiversity conservation and techniques for reporting on sustainable development issues affecting their readers.

CEPF Portfolio Review for the Vilcabamba-Amboró Forest Ecosystem

CEPF focuses monitoring on project development and implementation, at a portfolio level and on tracking progress at the initiative level. At the midpoint of CEPF implementation, we increased and enhanced monitoring at the ecosystem portfolio level by beginning the implementation of portfolio reviews. The Vilcabamba-Amboró region was assessed in August 2003. A full version of the Review for the V-A corridor can be found on the CD ROM provided by the CEPF team.

The review included an assessment of each regional grant portfolio around the midpoint of its 5-year funding cycle, which we believe, is an opportune time to review performance and assess progress toward objectives. This assessment allows CEPF to address gaps and respond to changing circumstances within a given region as well as to share lessons learned with partners in the region, other regions and the broader conservation community.

The portfolio review included all approved projects. These projects were reviewed first as a desk study, including examining original approved project designs, technical and financial reports received and any other deliverables submitted to date. A questionnaire was sent to all grantees to inform them about the review and to solicit their assistance on questions related to program implementation, their relationship with CEPF, and awareness and understanding of the CEPF strategy.

The monitoring and evaluation team, which included CEPF staff and an independent evaluator to enrich the review and resulting analysis, met with the relevant CEPF grant director and other key people. The monitoring team then traveled to the region to interview project staff and visit select project sites.

The preparation phase for the Vilcabamba-Amboró portfolio review took place in July 2003. The review team included CEPF staff members and Alberto Yanosky, a World Bank consultant specialist in biodiversity conservation who conducted an independent review of CEPF operations in the hotspot.

The review team traveled to Bolivia and Peru August 4-16, 2003, meeting grantees and visiting selected project sites. It met with 16 of the 19 project teams receiving CEPF support at the time of the visit. The Vilcabamba-Amboró Portfolio Review document includes findings from the preparation and site visit as well as statistics updated through May 2004.

Specific objectives of the portfolio review include:

- Understand any change in on-the-ground conservation dynamics and the role CEPF plays in them;
- Assess the contribution of CEPF-supported projects toward expected impacts and corridor conservation goals as articulated in the ecosystem profile;
- Assess the efficiency and effectiveness of CEPF in processing and monitoring grants;
- Identify gaps and critical needs for achieving strategic objectives;
- Derive key lessons learned and determine recommendations for improvements; and
- Refine the portfolio review methodology.

Conclusion – Next Steps

CEPF is nearly the end of its 5-year cycle in this corridor and is targeting a few strategic efforts with the remaining funding available. The idea is to multiply the remaining funds to the degree possible, while supporting programs and initiatives that will live well beyond the initial CEPF funding period. Included in this package of planned programs is a partnership with the Fundacion Puma in Bolivia in which both CEPF and Puma will match dollar for dollar on projects that contribute to the corridor strategy. With CEPF's planned contribution of \$500,000 to this partnership, we would ensure that a minimum of \$1 million will target projects in line with the CEPF ecosystem profile. Because the Fundacion Puma will continue well beyond the CEPF funding period, it is a strategic partnership that would see the Fundacion continuing to support projects well into the future that are in line with the corridor concept.

On the Peruvian side of the corridor, a similar type of partnership is being developed with the Fondo de las Americas (Fondam) in which CEPF would provide \$400,000 matching funds to corridor-specific projects, leveraging an additional \$400,000 from Fondam an opportunity to sustain CEPF's impact in the corridor.

In addition to these matching arrangements, CEPF is close to agreement on providing support to the newly established small grants program for critically endangered species run by the Asociacion Peruana para la Conservacion de la Naturaleza (APECO). This program has received initial support from the Center for Biodiversity Conservation, and CEPF is planning to match that funding for two years while APECO develops a component to the program for longer-term fundraising so this important program can be maintained long into the future.

Through supporting these programs CEPF has the opportunity to leverage additional funds in order to see the objectives of the initial CEPF strategy continuing to be supported far beyond the CEPF 5-year cycle.

- January 2005

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Charts: Chocó-Darién-Western Ecuador: Chocó-Manabi Conservation Corridor

Chart 1: Approved Grants by Priority Areas

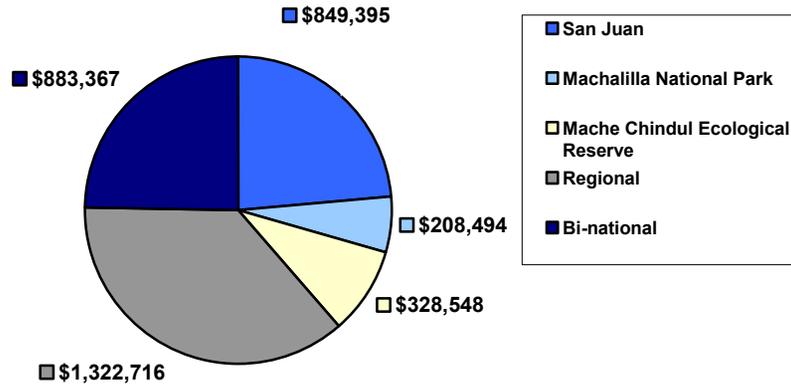


Chart 2: Approved Grants by Ventana and Strategic Direction

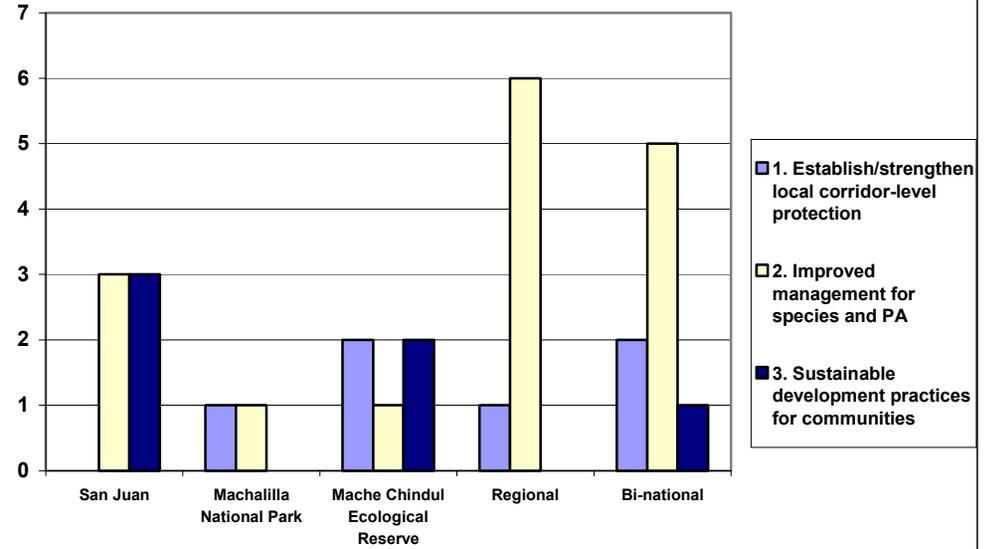


Chart 3: Portfolio Status by Strategic Direction

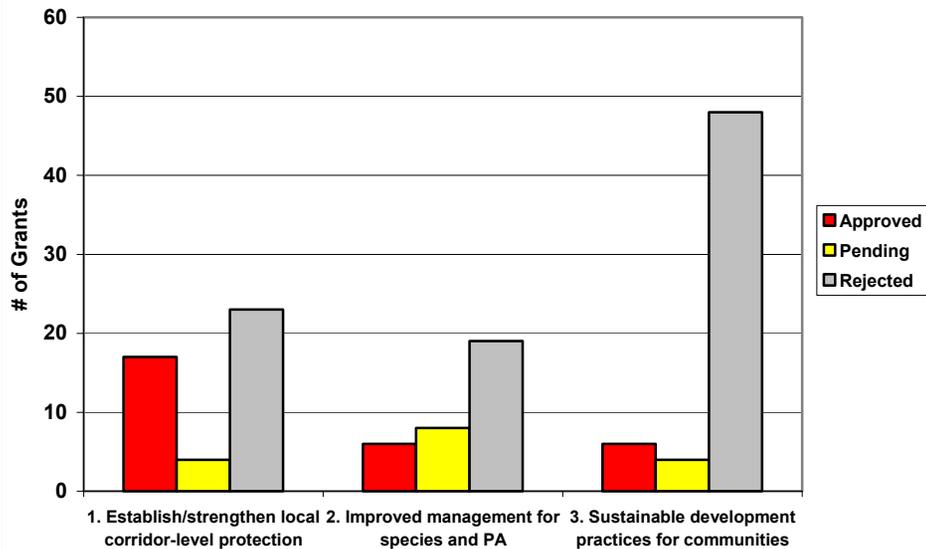


Chart 4: Combined Value of Grants Awarded

