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REPORT

The extension of the Forest Conversion Moratorium (FCM) in the Atlantic Forest

WWF Paraguay



SE APROBÓ LA LEY DE DEFORESTACIÓN CERO **QUE SIGA Y SE CUMPLA**

PROJECT/PRIORITY PROGRAMME TECHNICAL REPORT GUIDANCE AND TEMPLATE

PART 1: GENERAL NARRATIVE REPORT (DUE EVERY 6 MONTHS)

Project/ Programme Name	The extension of the Forest Conversion Moratorium (FCM) in the Atlantic Forest
Project Number(s)	12347.01
Reporting Period	July 2012 – January 2016
Project Start Date (FY)	23th July 2012
Report Completed By	Luca Eufemia
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1) Outcomes and Impacts Achieved

The past three and a half years have witnessed very changing political environments, from 2012's impeachment, to a transitory establishment and the general elections in April 2013. The FCM project has had the capacity to adapt to rapid changes and to remain focused on its very own goals. It was observed that most of the project goals were achieved successfully as a result of: (1) a very effective advocacy work with central and local authorities; (2) a solid training programme with authorities and producers on forest management, sustainable development and conservation; (3) a strong awareness campaign for engaging the public and decision makers; (4) a closer collaboration between WWF-Paraguay (WWF-PY) and partner NGOs, (5) stronger coordination between enforcement institutions such as the Secretariat of Environment (SEAM), the National Forestry Institute (INFONA), local municipalities and the General Public Prosecutor. Below the greatest project successes divided by project goals are reported:

PROJECT GOAL 1: By December 2013, the FCM is extended by at least five years.

- On Thursday, 29th of August 2013, the Paraguayan Congress extended the “Zero Deforestation Law”, law number 3139/06 until 2018. Two commissions—Energy and Natural Resources, and the Legislature Commission of the Senate—gave strong presentations supporting the extension. There was great emphasis placed on the importance of maintaining what is left of this very important and highly threatened eco-region, as they recognized that after certain point deforestation is irreversible. The news has had an impact at both the national and international level.



- 33 workshops on environmental laws, ecosystem services and green economy targeted the most influential political and productive sectors of Paraguay, including ministries, universities and private companies. The events created and reinforced coalitions, as well as strengthened collaboration and actions. As part of a more structured consulting roundtable, WWF-PY now counts with a number of key partners and allies from both the public and private sector, including multinational PAYCO, soy companies AGROPECO and AGROSOY, among others.
- The on-the-ground field presence of Paraguayan Government officials and WWF-PY in a coordinated manner has been a key point of success, which helped to build transparency, integrity, and fairness among implementing partners. This was an important consideration when it comes to

¹ The speaking tree: communication Campaign for the Extension of the FCM (WWF)

the perceptions that medium and large-scale producers have and a precondition of their effective compliance with the country's environmental laws. This cooperation notably decreased the amount of harassment and abuse that state authorities often face when they carry out in compliance and enforcement activities.

PROJECT GOAL 2: By December 2014, at least two Authorities and three productive unions are aware of environmental laws support and are committed to enforce and to comply with them.

- The FCM project helped increasing the capacity of national authorities to implement forest laws. 33 events, workshops and trainings have successfully targeted authorities, such as INFONA and SEAM and productive unions, such as the Paraguayan Chamber of Exporters and Traders of Grains and Oilseeds (CAPECO) and the Rural Association of Paraguay (ARP) that represents national beef production.
- WWF-PY developed a Geographical Information System (GIS) training programme through the Atlantic Forest. The main target was local governmental authorities. As a result, at least 3 authorities can now proceed, analyse and evaluate GIS data independently.
- WWF-PY call for action focused not only on the FCM, but also on the law enforcement of other environmental laws, such as the existing Payment for Environmental Services (PES). This law in particular has the potential to replace the FCM law after 2018, but only if enforced properly.

PROJECT GOAL 3: By December 2014, central authorities and one local government have prioritized the enforcement of forest laws and have committed to inform the prosecution of cases open to companies and individuals that have committed offences against the forest.

- A strong communication campaign supported a public engagement approach that has built upon public understanding efforts, moving toward more comprehensive public dialogue opportunities. FCM's campaign reached thousands around the country and the region. Through engagement, environmentalists, decision makers, media and the public participated in discussion about the reasons to save the Paraguayan forests. In doing so, questions and tensions were listened to address. Further, involving a wide-range of interested stakeholders (from universities to fashion agencies, from sport events to volunteerism etc.) was key to the campaign.
- To ask for an effective enforcement of the newly extended Zero Deforestation Law, a petition of 20,000 signatures was collected from the public and given to national authorities, including the former Minister of the Environment and a number of congress representatives, during Earth Hour 2014. The petition was to get law enforcement authorities the support from the civil society. The press and media have received the symbolic act positively by covering it widely.
- Press reports linking development to destruction/deforestation were released during times of debate and political discussions during the FCM campaign. WWF-PY was in spotlights intensively as the leading advocate against deforestation and environmental crimes, pleading for effective and efficient law enforcement. Central and local authorities were questioned and environmental crimes are now a very current and discussed issue. Other informal meetings and debates focused on effective measures to stop impunity and corruption in the administration of soil, tenures, landscapes and forests.

PROJECT GOAL 4: By December 2014 the capacities to monitor forest cover is in place in at least three governmental entities.

- WWF-PY GIS lab regularly monitored forest covers, being an important referent for central and local authorities such as SEAM, INFONA and the General Attorney. As a result, still today data collected by WWF on deforestation and degradation are object of great interest, transparency and accountability.
- The implementation of systems for monitoring, reporting and verification, together with the work on capacity building and training to local and central authorities, generated archives of reports and a robust network of support (from other NGOs to governmental organizations, from the press to the public opinion). This helped the opening of a number of cases of environmental crimes, currently under revision and or investigation. WWF-PY promoted the GIS implementation among local and central authorities (SEAM, INFONA and General Attorney) as the most effective way to monitor and report illegal deforestation and forest degradation.

PROJECT GOAL 5: By December 2015, HCV principles will be applied in two basins (that constitute primary corridors) to support the implementation of incentives for forest owners.

- Guyra Paraguay (Birdlife International) worked with WWF-PY to identify and implement HCV criteria. The project targeted three areas, AGROPECO S.A. (6,000 ha of forest), Ypetí Private Reserve (13,592 ha of forest), and the forested Reserve of the Puerto Barra Indigenous community (450 ha of forest) located in the heart of the Atlantic Forest in the Eastern region of Paraguay and the Chaco-Pantanal ecosystems in eastern Alto Paraguay. These areas are of extremely high conservation value, and are of fundamental importance to indigenous peoples and are highly threatened. The fate of the three areas is of national and international concern since they represent primary biodiversity corridors. The project used the six HCV variables to determine the value of conservation. In total, Guyra Paraguay and WWF-PY assessed approximately 20,000 ha under HCV criteria (please see the report attached). One of the three areas, Ypetí Private Reserve, is using the scientific work to support its current process to the responsible soy certification of RTRS. This is already a huge impact.

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2) Effective Implementation of Work Plans and Budgets*

WWF-PY completed all activities stated in the project proposal before the end of the adjusted project period (December 2015). It is important to note that over the course of the project two extensions were necessary in order to reach the project objectives, as well as to execute additional funds granted.

Completing activities:

National Newspaper Ultima Hora – environmental education (finalized in November 2015)

WWF and national newspaper Ultima Hora worked on an environmental campaign into the educational editions for a period of nine months. This included 19 fortnightly publications including a number of environmental issues, such as ecosystem services, the forest conversion moratorium, climate change etc.

3) Challenges and Strengths Affecting Performance

Challenges:

- **Corruption.** Several landowners identified corrupt public employees that requested money to avoid fines or the suspension of landowner's environmental licenses.

² Puma footprint: Ypetí Private Reserve, 2016.

- **The weak law enforcement** and the lack of culture of complying with legislation among large landowners. The low capacity of the government and illegal land use changes remained the main challenges. The exemption from punishment or fines from deforestation activities in the region created low levels of deterrence for deforestation acts. This continues to be a dangerous precedent as producers are amnestied and continue to cultivate with fewer environmental obligations.
- **Rapid changes of political scenarios and establishments.** The FCM dealt with sudden changes, generating a re-organization of strategies and plans especially with regard to public institutions and references.
- **Perception of the private sector towards WWF-PY.** This resulted in a very challenging issue since the private sector has often lacked trust in the solutions WWF-PY proposes. However, almost all new projects are strictly linked to the private sector.
- **Deforestation.** Even though deforestation rate as decreased of approximately 90%, still between 10 and 20.000 ha are deforested illegally in the AF.

Strengths:

- **WWF-PY's work and reputation** in the implementation of the FCM project demonstrated a high willingness by stakeholders and the public in general to participate in WWF-PY's projects, which helped to achieve transparency and integrity and reach the most important objectives of the FCM.
- **Though not being enforced completely, the FCM** remained a key pillar among environmental regulations and a unique example of conservation in the region and the world.
- **WWF-PY and certification schemes.** Being part of RTRS and having participated to the development of its national mapping for responsible soy expansion, gave WWF-PY a stronger credibility with the private sector. At the end of 2015, a large soy company named Agrosoy S.A. announced its RTRS certification of 15 thousand tons of soybeans. This is a company with 5,300 hectares of soy production, located in the Department of Caaguazú, in the heart of the Atlantic Forest³. Agrosoy S.A. became the third soy company to adapt RTRS certification into its business model.
- **Network of accessibility and trust with central and local authorities.** WWF-PY reinforced its network of influence and accessibility with decision makers and the press. Once more, the organization showed through dialogue and transparency conservation and conservation policies became of public interest and inclusion.
- **Continued project support to the FCM extension.** The Forest Conservation Agriculture Alliance (FCAA), promoted by USAID and implemented by WWF-PY and the private sector, started a very ambitious project to conserve and restore degraded native forests, thereby reducing the greenhouse gas (GHG) emissions associated with deforestation; and to improve agricultural productivity and sustainability. Under one of its output, the new project also included the promotion of another extension of the Zero Deforestation Law– so that the law will remain in effect until incentives and financial mechanisms are in place that will effectively deter deforestation. An advocacy campaign will be undertaken to secure the extension.
- **The PES scheme became more concrete.** Only recently (last year) did PES get a boost with the implementation of Resolution 199/13, which cut red tape and made the protocol for obtaining PES certificates easier and more flexible. More importantly, WWF-PY will continue to work on the design of an environmental fund for PES and will continue support of the PES protocol. These technologies, processes and practices will help create confidence in the PES instrument and properly provide incentives for forest protection.

4) Adaptive Management

- **The changes of government assets** were a reason for adaptive strategies of the FCM project. To map new positions and people was the very first step to adapt the advocacy strategy. Secondly, WWF-PY established immediate contacts and created the conditions for dialogue. Lastly, WWF-PY negotiated margins of interests and then focused on one very specific interest (such as the extension of the FCM and its enforcement).
- **Finding alternatives to laws that are about to expire.** Parallel to the work for the extension of the FCM, WWF-PY identified valid alternatives to promote sustainable forest management and valid economic alternatives. These alternatives need to be in place when the law becomes inactive. This has always been a strong focus of WWF-PY and others environmental NGOs.

³ More information: <http://www.responsiblesoy.org/es/productores/agrosoy-s-a/> and <http://www.wwf.org.py/?259833%2FSoja-responsable-una-oportunidad-de-crecimiento-economico-y-sostenibilidad-ambiental>

- **Collaboration with other projects** was also part of an adaptive management executed through this project. As for most PES training programme, the PARLU⁴ project has been a great support both logistically and financially. This has led to a very constructive and collaborative approach.
- **Making strategic use of parallel initiatives** was an asset to the FCM project. The RTRS development and projects in Paraguay benefited and, to some degrees, leveraged the impact of the FCM project. WWF obtained important information and useful tools with no cost. A good example is the shapefiles of the RTRS mapping project that can be used illimitably for other projects, as well as WWF-PY contribution to the national interpretation guideline for soy certification and HCV assessments.

5) Sharing of Lessons Learned*

- **Stronger partnerships needed for sustainability.** The FCM project shows that any projects dealing with policies and law enforcement mechanisms need collaboration and a strong network of allies from different areas (from decision and policy makers to general public, from local and international organizations to associations and academic centers etc.)
- **Good use of media pressure and support** is very relevant to raise awareness. What can be learned here from the FCM project is the wide range of openness given to such a narrow issue (a single law). The communication work has been able to go beyond the importance of a single law, and to embrace key stakeholders and gain their support. The *tree speaking* communication campaign has had the quality to engage with most daily life situation in a very interactive and funny way. Positivity and creativity have been key to the success of the project.
- **Financial incentives** should work perfectly as they are becoming the only tool for the conservation of forests in Paraguay. Alternatives to zero deforestation legislations should grant profit to producers, landowners and the State.
- **To gain influence and space** among large producers and big business. This can help faster changes and positive collaboration among conservationists and the private sector.
- **Synergies can help making a greater and more positive impact.** WWF-PY should work closely with other international and local organizations, not necessarily environmentalists. The work of WWF-PY is very transcendent to just nature and conservation. It deals, in fact, with democracy, human rights, food security, health and other issues.

⁴ PARLU, Paraguay Land Use Project funded by the German Ministry for the Environment, Nature Conservation, Building, and Nuclear Safety.

PART 2: monitoring REPORT (year end only. submit as excel or word table or DIRECTLY IN INSIGHT).

Submitted as Excel file.

Table 2. Monitoring Plan and Report (Including Conservation Achievement KPI) (see guidelines for completing the tables)

Goals Good goals are SMART and linked to biodiversity, human welfare, or footprint reduction.	Indicator (what you are measuring and the metric)	Common Indicator (add the number of the common indicator you contribute to)	Baseline (value & date)	Planned Intermediate Result (PIR) ("what result the project planned to achieve by this time")				Current status this year ("what result has actually been achieved by the time of this report")	Planned Final Result (value and date)		
				FY13	FY14	FY15	FY16				
<ul style="list-style-type: none"> Compliance with the Zero Net Deforestation 2020 target (ZeroND2020); Self-sustaining forest governance in the AF in Paraguay. 								Where no new data available, state when next measurement due.			
Key Long-term Objectives	Indicator (What you are measuring & the metric)	Common Indicator (add the number of the common indicator you contribute to)	Baseline (value & date)	Planned-Intermediate Result ("what result the project planned to achieve by this time")				Current status this year ("what result has actually been achieved by the time of this report")	Planned Final Result (value and date)	Conservation Achievement Rating	Justification(s) for rating
				End-FY13	End-FY14	End-FY15	End-FY16				
Project goal 1: By December 2013, the FCM is extended by at least five years	Indicator 1.1: Number of steering group meetings with at least 3 partner NGOs working with WWF or the extension of the FCM taking their own action/step and using their		0/July 2012	2	1	0	0	1 Steering group/ 3 NGOs	By March 2013, one steering working group (SWG) with at least 3 partner NGOs	7	The target was achieved. Other NGOs also joined the SWG (e.g. IDEA)

logistic and facilities.								(Fundación Moises Bertoni, A Todo Pulmón, Guyra Paraguay) created.		
Indicator 1.2: number of presidential candidates who incorporate the following elements in her/his governmental planning document: the value of the forest, its conservation and sustainable use and recognizing that the development to be sustainable needs to take into consideration the social, environmental and economic issues.		0/July 2012	0	1	0	0	1	By March 2013, at least one candidate includes environmental/green development issues in their political agendas (electoral campaign programme).	6	The target was achieved. Political group Alianza Paraguay Alegre (candidate Efrain Alegre), during general election in 2013 presented a green development plan for Paraguay.
Indicator 1.3: Number of Universities participating to		0/July 2012	1	1	1	0	3	By July 2013, at least 3 Universities	6	The target was achieved. Universidad Americana,

events related to the extension of the FCM								es are committed to use their communication/educational capacities for the extension of the FCM.		Catholic University and Universidad Columbia helped WWF to spread the campaign for the extension of the FCM.
Indicator 1.4a: 25,000 signatures for a petition. Indicator 1.4b: Number of social media engaging in the campaign.		0/July 2012	0	20.000 signatures	0	0	20.000 signatures were obtained in FY15.	By September 2013 at least 25.000 people support the extension of the FCM through a manifest presented to Congress.	5	The target was changed and, eventually, achieved. The impact of this petition has come after the FCM extension and reinforced the call to fully comply with the law. During Earth Hour 2014, WWF petition of 20.000 singatures has been given to national authorities, including the Minister of the Environment, Ms. Cristina Morales, and

											congressman Oscar Tuma.	
	Indicator 1.5: number of governmental commissions or committees making a recommendation to the parliament to extend the FCM.		0/July 2012	2					2	By November 2013, the draft of the extension of the FCM is formally accepted by at least two commissions of the parliament.	6	Both commissions of Ecology and Natural Resources have given strong statements in support of the cause for extension.
Project goal 2: By December 2014 at least two Authorities and three productive unions are aware of environmental laws, support and are committed to enforce and to comply with them	Indicator 2.1: Number of environmental authorities and producers unions expressing commitment to improve the enforcement of environmental laws and green economy.		0/July 2012	1	3	1			5	By December 2013 at least 2 environmental authorities and at least 3 productive unions (or cooperatives) committed to improve the enforcement of environmental laws and to go for a greener economy.	5	The target was achieved. 2 environmental authorities (INFONA and SEAM) and 3 unions (Capeco, 2 Cooperativas) have committed to comply with all environmental laws and to go for a greener economy.

									ental laws and learn about the concept of Green Economy .		
Indicator 2.2a: Number of environmental staff of partners trained.		0/July 2012	2	5	3	1	11		By December 2014, at least 2 public environmental staff build awareness and knowledge on environmental laws within their institutions (SEAM)	6	A total of 11 public employees has been trained. The target was surpassed.
Indicator 2.2b: Number of people trained by the trainers.		0/July 2012	2	2	1		5		By December 2014, at least 2 public environmental staff build awareness and	6	The target was surpassed. 5 students and 3 new employees of public institutions have been trained.

									knowledge on environmental laws within their institutions (Ministero Publico)		
Project goal 3: By December 2015 central authorities and one local government have prioritized the enforcement of forest laws and have committed to inform the prosecution of cases open to companies and individuals that have committed offences against the forest.	Indicator 3.1a: Number of municipalities implementing legal measures to fight environmental crimes Indicator 3.1b: Number of partner Ngos promoting transparency and better law-management against environmental crimes.		0/July 2012						By December 2013, at least one municipality and two partner NGOs committed to implement respectively support, the legislations against offences in environmental crimes	3	The target was not achieved. The strong collaboration with ParLU project has made this indicator very linked to the Instituto de Estudios Comparados en Ciencias Penales y Sociales (INECIP) report on environmental justice and crimes. Unfortunately, this work has suffered major delays due to logistics and timing.

									of the forest law and finalize cases with fair punishments.		
Project goal 4: By December 2015 the capacities to monitor forest cover is in place in at least three governmental entities	Indicator 4.1: Number of agreements with competent authorities for capacity building in GIS for forest cover monitoring.		0/July 2012	1	2			3	By June 2014 at least 3 authorities support and follow up the forest-cover monitoring of the AF.	6	The target was achieved. The authorities trained (SEAM, Ministerio Publico and INFONA) are keys to both the ministry of agriculture, the secretary of the environment and the ministry of public affair and the ministry of the economy.
	Indicator 4.2: By Number of institutions trained in GIS.		0/July 2012	1	2			3	By November 2014, at least 3 authorities able to do GIS monitoring	6	The target was achieved. Our GIS team has helped running this trainings .
	Indicator 4.3: Number of		0/July 2012	1	1	1	1	5	By Decemb	6	The target was achieved.

	reports on monitoring deforestation in the Atlantic Forest.								er 2014, at least 4 monitoring reports of forest cover provided to environmental authorities GIS staff.		5 monitoring reports have been delivered through the project period. The same have also been used to report environmental crimes and illegal deforestations.
Project goal 5: By December 2015, HCV principles will be applied in two basins (that constitute primary corridors) to support the implementation of incentives for forest owners. The HCV criteria will be tested as tools to be used in Payments for Environmental Services (PES) to value the forest, taking in consideration the services they provide to communities.	Indicator 5.1: Number of areas in two watersheds assessed using the HCV methodology.		0/July 2012			2	1	3	By December 2014, HCV assessments are done in at least 2 departments (6 sites in total, reduced to only 3 areas in <date>), including the Monday and the Jeju Basins, the results will serve	6	The target was achieved. More than 20.000 hectares have been assessed under HCV criteria in 3 areas. The areas included a soy producers', a private reserve and an indigenous communities'. We changed the deadline to December 2015. We changed the number of areas through

								as tools for the implementation of PES in these areas.		the project from 6 to 3 areas.
	Indicator 5.2: The Paraguay government includes the HCV criteria into the PES protocol's document.		0/July 2012					By December 2014, the Paraguay government recognizes the HCV concept as one tool for PES to value the forest.	1	The target was not achieved as planned in the indicator.
Project Goal 6: N/A										
Overall Conservation Achievement Rating (based on long-term objectives)										