U.S. Agency for International Development Report to Congress on Programs in Forestry and the Conservation of Biodiversity during Fiscal Year 2020: Results and Funding

Introduction

To satisfy the requirements of Sections 118(f) and 119(h) of Part I of Public Law 87-195, the Foreign Assistance Act of 1961, as amended, the U.S. Agency for International Development (USAID) submits this report on our programming to conserve forests and biodiversity during Fiscal Year (FY) 2020.

USAID's biodiversity and forest programs conserve natural systems and improve the lives of people who depend on them. USAID partners with governments, communities, and the private sector in 60 countries to conserve threatened landscapes and seascapes while achieving shared economic goals. According to the 2019 <u>Global Assessment Report on Biodiversity and Ecosystem Services</u>, while the world has made great strides in reducing extreme poverty and improving people's quality of life, the repercussions of biodiversity loss will affect our development goals to support partner countries' economies, global health, security, and capabilities to adapt to a changing climate.

Through our cross-sectoral programming, USAID works to address the world's most urgent biodiversity and development needs. By conserving coral reefs and mangroves, improving forest management, and driving innovative technologies, USAID's conservation activities reduce greenhouse gas emissions and increase carbon storage. These nature-based solutions are building the resilience of people, priority ecosystems, and economies to climate change. This year, the world experienced firsthand how interconnected humans are with the environment as the COVID-19 virus, a zoonotic disease, decimated global health, food systems, and economies. Many of USAID's partner countries are the hardest hit by the pandemic: Precipitous drops in leisure travel throughout Southern Africa, East Africa, and the Caribbean region have drained crucial tourism revenues from national parks and communities, which, in turn, incentivize the illegal wildlife trade and unsustainable natural resource harvesting. While restricted travel may benefit biodiversity in the short term, many experts believe that the net conservation impacts of COVID-19 will be negative for regions like Southern and East Africa. This assumption is based on the economic fallout of the pandemic and potential reductions in conservation funding, leading to a decrease in resources to effectively manage conservation areas and increases in poaching, timber harvesting, illegal mining, and agricultural conversion associated with growing rural poverty.

USAID's conservation programming is essential to ensuring the world's most vulnerable people can secure their health and well-being while managing and conserving their natural wealth.

These investments build resilience to shocks like COVID-19, strengthening the global community's ability to build back better and to create a more prosperous and equitable world.

Funding Overview

Table 1 presents a summary of USAID's funding in FY 2020 by region and by operating unit- for activities to conserve biodiversity, combat wildlife trafficking, and conserve and manage forests. USAID uses rigorous, strategic criteria to conserve biodiversity in priority places—countries and regions designated as "Tier One" in USAID's Biodiversity Policy—and to integrate the conservation of biodiversity with other development objectives. Funding for USAID's international biodiversity programs totaled approximately \$314.25 million during FY 2020, which financed projects in 62 countries. USAID allocated approximately 58 percent of these funds to 13 Tier One countries and regions, including Madagascar, Indonesia, and Colombia. FY 2020 funds are strengthening or creating at least 300 targeted protected areas. About half of these are community-managed areas, such as community conservancies in Kenya, Indigenous territories in Colombia, community forests in Nepal, and locally-managed marine areas in the Pacific region.

A subset of USAID's funding for biodiversity focuses on combating wildlife trafficking. USAID invested more than \$66 million in FY 2020 for the prevention or reduction of poaching and the illegal trade in wildlife, including marine species. USAID's comprehensive approach strengthens law enforcement from the front lines to the courtroom, reduces consumer demand for illegal wildlife products, and builds international cooperation.

USAID also promotes the conservation and sustainable management of forests. In FY 2020, USAID's forestry investments totaled approximately \$243 million in 45 countries, with \$233 million focused on tropical forests. This includes empowering local communities and Indigenous Peoples to sustainably manage forests, such as the Bolongo ethnic group in the Democratic Republic of the Congo who were awarded six community forestry concessions.

In addition, millions of dollars from other USAID sectors contributed indirectly to the conservation of biodiversity. For example, combined FY 2020 funding for agriculture, education, health, and water, sanitation and hygiene to USAID/Mozambique's Resilient Gorongosa agreement exceeded biodiversity funding in support of Gorongosa National Park and surrounding lands. The partnership aims to improve quality of life for the 250,000 people living in the park's buffer-zone districts and to deter and prevent threats to biodiversity. In 2020, the project improved the nutrition of 90,000 children, increasing health and food security while reducing reliance on the park's limited resources.

Tackling Climate Change

Addressing the climate crisis must be a collective effort. USAID's biodiversity programming contributes to global climate goals by conserving critical ecosystems in key landscapes, building the resilience of vulnerable populations against climate impacts, and promoting cost-effective, strong investments to reduce emissions in our partner countries. For example, in FY 2020 USAID Vietnam's Forests and Deltas activity supported a proposal to pilot payment for forest carbon sequestration services (carbon-PFES) under which major emitting companies would compensate for their emissions by paying forest owners to capture carbon through forest conservation and restoration efforts on their land. The proposal was submitted to the Prime Minister's Office for approval. Once the carbon-PFES program is implemented nationally, it is estimated that \$100 million will be generated each year to finance forest conservation and restoration and increase incomes and living standards for those who receive payments.

In the Federative Republic of Brazil, USAID support to targeted protected areas achieved a 49 percent reduction in deforestation in those areas in FY 2020, compared to a 29 percent reduction in protected areas without USAID support. This achievement contrasts overall upward deforestation trends in Brazil, and helps to maintain critical carbon storage and wildlife habitat in one of the world's most biodiverse countries.

Participating in certification programs can bring producers premium prices while ensuring consumers that the product they purchase meets rigorous social, economic, and environmental standards. In the Republics of Madagascar and Indonesia, vanilla farmers have benefited from USAID-funded training to achieve Rainforest Alliance certification. In FY 2020, this certification enabled farmers to enjoy premium prices from international buyers while avoiding deforestation and reducing greenhouse gas emissions.

Addressing COVID-19

Through FY 2020, USAID's biodiversity programming has helped respond to the COVID-19 pandemic as vulnerable communities faced economic and food insecurity. In the Republic of Liberia, USAID conducted a rapid food security assessment in forest communities and, based on the results, helped 6,340 farmers and 155 women's groups to produce face masks and soap as alternative income sources. These interventions related to the pandemic reduced lost wages and an over-reliance on forest resources for income. Due to tourism revenue losses, the Republic of Uganda struggled to maintain conservation law enforcement. In FY 2020, USAID provided fuel and other critical ranger supplies, and as a result, patrols increased from 40 to 70 percent of pre-pandemic levels.

USAID also helped many partners adapt activities to remote settings in FY 2020. In the Republic of the Philippines, USAID supported "Fish Tiangge," an online marketplace that enables fishing

associations to directly sell their catch to consumers, helping fishers maintain income despite travel restrictions. Additionally, community-based conservation and leadership training for youth in Honduras, nature tourism training for women in Colombia, and regional conservation crime training led by INTERPOL successfully transitioned to offer online training.

To help prevent future pandemics, USAID is working to reduce the risk of zoonotic trade spillover associated with the wildlife trade. Through an ongoing agreement with the International Union for Conservation of Nature (IUCN), USAID is monitoring high-risk markets and wildlife supply chains, developing materials and campaigns to change consumer behavior, and reducing the vulnerability of food supply chains to wildlife pathogens.

Combating Conservation Crime

Conservation crimes threaten animal and plant populations, community lands, nature-based jobs, and global security. USAID implements a comprehensive approach to combat wildlife trafficking and illegal fishing aligned with broader U.S. Government initiatives. To deter conservation crime and strengthen rule of law, USAID's programming bolsters partner countries' law enforcement capacity and legal processes. In FY 2020, this included support to the Republic of Malawi's Lilongwe Wildlife Trust, which monitored 271 wildlife crime cases and 502 hearings, including 11 cases involving a transnational Chinese criminal syndicate. Of these cases, 109 resulted in convictions, and 87 percent were sentenced to imprisonment- an important step to deter future crimes. USAID also builds transparency throughout supply chains to reduce illegally-sourced products entering global markets.

In the Regional Development Mission for Asia, USAID's marine conservation work helps verify a seafood's origin and legality by strengthening electronic catch documentation and traceability systems. These systems can also improve fisheries management and minimize risk of human rights and labor abuses in seafood supply chains. By the end of FY 2020, USAID launched seven traceability technologies, trained more than 1,800 men and women on these tools, and traced approximately 2,000 metric tons of seafood.

USAID's global partnerships and collaboration are essential for addressing conservation crime. Many businesses are strategic partners in this fight; for example, in 2020, AirAsia and Ethiopian Airlines joined a USAID-led partnership involving 21 airlines committed to detecting and deterring wildlife trafficking in airports and commercial transportation. Through its partnership with INTERPOL, USAID supported Operation Thunder, the latest in a series of law enforcement collaborations, which resulted in dozens of countries seizing large quantities of illegal wildlife and plant products, including 18 tons of pangolin scales. USAID is also supporting research and pilot projects in Colombia, Ecuador, Peru, Madagascar, Vietnam, the Caribbean and the Mekong region to understand the factors driving corruption in the natural resources sector and to help tackle wildlife trafficking, illegal logging, and illegal fishing.

Regional Results Africa

By investing in improved and equitable natural resource management, USAID helps partner countries across Africa achieve long-term development results for people and nature. USAID's ongoing support to the Gorongosa landscape in the Republic of Mozambique illustrates how conservation advances development across the continent. The implementation of conservation best practices and effective law enforcement improved the management of 1.2 million hectares (an area larger than Puerto Rico) in 2020, forming a conservation corridor stretching from Mt. Gorongosa to the Indian Ocean. Natural resource management training for 688 community members combined with support for climate-smart agriculture and conservation-friendly enterprises involving coffee, cashews, honey, and tourism increased economic benefits for 18,351 people.

Wildlife and fisheries are integral to the well-being of many communities in Africa, contributing to incomes, food security, and cultural heritage. In the Republic of Sénégal, USAID's threats-based approach helps to conserve and manage fish populations from unsustainable harvests. In FY 2020, USAID advanced a night fishing ban that increased the fishing area under improved management by 363,000 hectares- an area larger than Rhode Island. In the Republic of Kenya, USAID's long-running partnership with the Northern Rangelands Trust has helped to employ 858 eco-rangers, reducing poaching and increasing the elephant, giraffe, cheetah, and buffalo populations across the 39 conservancies.

All development programming, including conservation initiatives, benefit from just and equitable representation of local communities. In the Democratic Republic of the Congo, USAID helped members of the Bolongo ethnic group establish six community forestry concessions in FY 2020 and supported three other Indigenous Peoples' communities to develop and submit applications for formal recognition of their forestry concessions. As a result, in March 2021, the government granted a concession to the Bamasobha community, securing their rights to manage 29,142 hectares of forest. Integrated conservation and family planning activities in the United Republic of Tanzania achieved a 123 percent increase in women's participation in FY 2020, reaching 43,266 women throughout the year. The increase is due to both targeted outreach and collaboration with community leaders and awareness-raising efforts.

Asia

Asia is home to some of the most biodiverse land and seascapes in the world, which support local food security and livelihoods in the region. In the Republic of Indonesia, USAID has supported biodiversity conservation in six priority areas where forest cover remains most intact and carbon stocks are greatest. Over the last five years, USAID improved the management of 1.1 million hectares (an area larger than Yellowstone National Park) of forests and peatlands in these priority places, bringing the total area under improved management to 7.5 million hectares. USAID works closely with local partners to conserve Asia's biodiversity while improving access to jobs and food. During FY20, in the People's Republic of Bangladesh, USAID's biodiversity and sustainable landscapes programming worked to reduce and prevent wildlife poaching through the promotion of targeted conservation messaging as well as distributing food, vegetable seeds, and hygiene kits to 98,500 vulnerable households. As a result, communities and government agencies continue to prioritize conservation in the Chittagong Hill Tracts, which hold 43 percent of Bangladesh's forests.

USAID's conservation programming promotes local ownership for long-term outcomes that benefit all community members. For example, in FY 2020, in the Democratic Federal Republic of Nepal, USAID continued to support community anti-poaching units, and partnered with 265 units to bolster law enforcement capacity along key wildlife corridors. USAID also finalized the restoration of 1,100 hectares of priority forests along biodiversity corridors and buffer zones of protected areas in the Socialist Republic of Vietnam. District authorities and local communities will now oversee the continued conservation of these restored areas, increasing engagement in and commitment to conservation.

Latin America and the Caribbean

USAID's conservation work in Latin America and the Caribbean focuses on reducing deforestation, combating the illicit and unsustainable harvest of timber and wildlife, reducing the impacts of small-scale gold mining, empowering local communities and Indigenous Peoples, and engaging with the private sector to scale conservation efforts. In the Federative Republic of Brazil, USAID advances market-driven approaches that bolster sustainable production and growth: across USAID's investments in Brazil, partnership with the private sector mobilized \$10.5 million in FY 2020, almost doubling Agency funding to conserve natural capital while creating sustainable economic growth for hard-to-reach communities in the Brazilian Amazon.

Throughout Latin America and the Caribbean, USAID works to address the disproportionate health, environmental, economic, and climate impacts on disadvantaged communities. In the Republic of Perú, USAID and local partners promote sustainable and equitable livelihoods across the Peruvian Amazon. In FY 2020, USAID helped the Indigenous-owned business Nii Biri develop a financial sustainability plan and new forest-friendly products that respond to market trends and increase sales. USAID also promoted a community forest management model to advance Indigenous land rights, and in FY 2020, the Sinchi Roca Cacataibo community received official land recognition and titles, which will help to <u>deter land invasions and subsequent deforestation</u>.

Across the region, USAID fosters community-led natural resource management. In the Republic of Guatemala, USAID investments support the management of the Maya Biosphere Reserve, the largest protected area in Central America. In FY 2020, USAID assistance led to 3,898 new jobs

and \$22.7 million in forest product sales from certified forest concessions in the Maya Biosphere Reserve, Verapaces, and Western Highlands. In the Republic of Colombia, shifting power dynamics, an ongoing peace process that has struggled to adequately address forest governance, and limited government presence in remote areas have created a power vacuum leading to high rates of deforestation and illegal mining, post-conflict. USAID helps to foster legal, sustainable economies, and strengthen commitment to good environmental governance. In FY 2020, USAID helped communities in the Caquetá region conserve forests while sustainably intensifying cheese, cattle, and vegetable production, which represent 65 percent of families' incomes. These conservation agreements with local producers improved management of 2,700 hectares of biodiversity-rich forest. In total, incentives for conservation provided 2,400 people with greater economic benefits in FY 2020.

Operating Unit (OU) of the U.S. Agency for International Development (USAID)	Investments in Biodiversity, during Fiscal Year (FY) 2020, in US\$ ¹	Investments in Combating Wildlife Trafficking, during FY 2020, in US\$ ¹	Investments in Forests & Forestry, during FY 2020, in US\$ ¹
Total Funding for all USAID's OUs ²	314,250,000	66,746,500	242,565,410
<i>of which,</i> Total USAID Funding in Tropical Countries ³	307,475,000	65,996,500	232,743,079
Total Funding in Countries and Regions Designated as "Tier One" Under <u>USAID's</u> <u>Biodiversity Policy</u> (highlighted blue)	182,400,000	39,200,000	139,159,929
Transfers to U.S. Government Partner Agencies⁴	36,600,000	13,350,000	20,867,000
Sub-Saharan Africa			
USAID Africa Regional	3,000,000	600,000	450,000
USAID Central Africa Regional	43,000,000	16,000,000	26,071,500
- USAID funding	24,900,000	7,000,000	16,071,500
- Directed to U.S. Fish and Wildlife Service within the U.S. Department of the Interior (DOI)	18,100,000	9,000,000	10,000,000
East Africa Regional	4,000,000	2,000,000	640,000
Southern Africa Regional	8,000,000	5,500,000	300,000
West Africa Regional	8,000,000	2,100,000	8,345,000
Republic of Ethiopia	2,200,000	0	0
Republic of Ghana	1,950,000	0	50,000
Republic of Kenya	8,900,000	4,800,000	1,100,000
Republic of Liberia	5,000,000	0	6,700,000
Republic of Madagascar	8,000,000	800,000	1,950,000
Republic of Malawi	3,000,000	500,000	3,125,000
Republic of Mozambique	5,000,000	2,700,000	3,000,000
Republic of Senegal	2,000,000	0	0
Republic of South Sudan	3,300,000	500,000	0
United Republic of Tanzania	5,500,000	2,000,000	1,761,811
Republic of Uganda	4,500,000	700,000	1,780,000
Republic of Zambia	3,000,000	750,000	4,110,000
Sub-Saharan Africa Total	118,350,000	38,950,000	59,383,311
USAID Asia			
Asia Regional	1,750,000	500,000	500,000
Pacific Islands Regional	8,000,000	300,000	4,261,000
Regional Development Mission for Asia	7,000,000	5,300,000	3,270,894

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U.S. Department of State Total	1,750,000	0	8,750,000
Bureau of Oceans and International Environmental and Scientific Affairs (OES) ⁶	1,750,000	0	8,750,000
U.S. Department of State ⁵			
USAID Central Bureaus Total	32,100,000	7,221,500	21,707,000
- Directed to U.S. Forest Service (U.S. Department of Agriculture)	6,000,000	0	4,367,000
- Directed to U.S. Fish and Wildlife Service, DOI	12,500,000	4,350,000	6,500,000
- USAID Funding	13,600,000	2,871,500	10,840,000
Bureau for Development, Democracy and Innovation (DDI)	32,100,000	7,221,500	21,707,000
USAID Central Bureaus			
USAID Latin America and the Caribbean Total	84,425,000	3,425,000	99,430,907
Republic of Peru	11,500,000	400,000	10,859,078
United Mexican States	0	0	9,737,200
Republic of Honduras	6,075,000	0	2,100,000
Republic of Haiti	0	0	7,500,000
- Directed to DOI	1,750,000	0	400,000
- USAID Funding	4,350,000	250,000	7,520,000
Republic of Guatemala	6,100,000	250,000	7,920,000
Republic of Ecuador	4,000,000	0	3,000,000
Republic of Colombia	21,250,000	0	34,139,652
Federative Republic of Brazil	15,000,000	500,000	15,000,000
Central America Regional	2,000,000	0	800,000
Caribbean Development Program	5,000,000	1,775,000	C
South America Regional	12,000,000	500,000	7,374,978
LAC Regional	1,500,000	0	1,000,000
USAID Latin America and the Caribbean (LAC)			
USAID Asia Total	79,375,000	17,150,000	62,044,192
Socialist Republic of Vietnam	12,250,000	3,500,000	10,528,435
Republic of the Philippines	13,000,000	3,800,000	11,897,582
Democratic Federal Republic of Nepal	6,775,000	750,000	3,050,000
Republic of India Republic of Indonesia	3,000,000 17,000,000	0 1,300,000	7,555,000 10,945,000
Kingdom of Cambodia	5,600,000	600,000	7,409,931
People's Republic of Bangladesh	5,000,000	1,100,000	2,626,350

Funding Table Notes

¹ Biodiversity funding levels and attributions to Combating Wildlife Trafficking and Forests & Forestry are accurate as of 28 September 2021.

² These budget allocations or attributions are USAID-only, except for the State/OES allocation of Biodiversity funds and the associated attribution of these funds and State/OES Sustainable Landscapes funds to Forests and Forestry.

³ A total for Tropical Countries is calculated to meet requirements for reporting on Tropical Forests. All operating units focus on tropical countries except USAID/Nepal.

⁴ The FY20 Appropriations Act directs USAID to transfer environment funds to specific agencies, noted in the table for Central Africa Regional mission, Guatemala mission and DDI Bureau.

⁵ Department of State Combating Wildlife Trafficking directive funds, and attributions of non-directive funds to Biodiversity, CWT, or Forests and Forestry, are not represented in this funding table.

⁶ Department of State/OES receives half of the Biodiversity funds designated for meeting a \$3.5 million directive to help stakeholders in partner countries comply with the 2008 amendment to the U.S. Lacey Act, requiring plant products including those from trees (wood, paper, etc.) to be sourced legally in the country of origin. All of this work, and \$7 million in Sustainable Landscapes funding managed by State/OES, is attributable to the Forests and Forestry column.