

U.S. Agency for International Development

Report to Congress on Programs in Forestry and the Conservation of Biodiversity During Fiscal Year 2023: Results and Funding

1) Introduction

This report is submitted pursuant to sections 118(f) and 119(h) of the Foreign Assistance Act, as amended (P.L. 87-195):

SEC. 118. [22 U.S.C. 2151p–1] TROPICAL FORESTS. (f) ANNUAL REPORT.—Each annual report required by section 634(a) of this Act shall include a report on the implementation of this section.

SEC. 119. [22 U.S.C. 2151q] ENDANGERED SPECIES. (h) ANNUAL REPORTS.—Each annual report required by section 634(a) of this Act shall include, in a separate volume, a report on the implementation of this section.

This report covers programming to conserve biodiversity and manage forests during Fiscal Year (FY) 2023. Biodiversity provides food, water, clean air, and livelihoods, supporting more than half of the global gross domestic product. But nature is in crisis, with threats like overexploitation and land and sea use change pushing species and ecosystems to the brink. USAID plays a critical role in addressing this global crisis, as do its local community, government, civil society, and private sector partners around the world.

In FY 2023, USAID invested in conserving biodiversity and forests, fighting nature crimes, and supporting sustainable fisheries in approximately 60 countries. The Agency also began updating its Biodiversity Policy of 2014 to reflect the current global context for biodiversity conservation and calls for transformative change. The revised Policy, which is expected to be released in November 2024, will describe how USAID can support this change through its work to achieve nature-positive, equitable development across societal systems over the next decade.

2) Funding Overview

Table 1 presents a summary of USAID's FY 2023 funding for biodiversity, combating wildlife trafficking, and forestry activities by USAID Operating Unit.

USAID helps conserve biodiversity in more than 60 countries, including 13 priority countries and regions designated "Tier One" in the 2014 USAID Biodiversity Policy. With FY 2023 funds, the

Agency provided \$375.4 million to international biodiversity programs, with roughly 55 percent of these funds going to Tier One countries and regions.

USAID invested \$78.1 million of FY 2023 funding in combating wildlife trafficking. These funds help prevent and reduce poaching and the illegal trade of terrestrial, freshwater, and marine species. The Agency also invested \$45.3 million in great ape conservation and supporting critical chimpanzee, gorilla, and orangutan habitats. USAID's forestry investments, inclusive of relevant biodiversity and sustainable landscapes funds, totaled \$318.5 million, with \$315.6 million focused on tropical forests.

3) Spotlight on Private Sector Engagement and Conservation

Communities, governments, and civil society organizations cannot address the biodiversity crisis alone. Private sector financing and innovation are critical. USAID partners with businesses whose core interests align with economic development and biodiversity conservation objectives.

Launched in December 2019, USAID's <u>Health</u>, <u>Ecosystems and Agriculture for Resilient</u>, <u>Thriving Societies (HEARTH)</u> activity portfolio illustrates the power of private sector engagement in conserving biodiverse landscapes and improving community well-being and prosperity. Since 2021, HEARTH is leveraging more than \$92 million from the private sector. In FY 2023, USAID and local companies helped coastal communities adopt sustainable seaweed and sea cucumber production livelihoods that reduce marine resource extraction in high biodiversity areas and deliver economic benefits. Seaweed farmers improved their product quality in FY 2023, driving up prices by 25 percent, and increased sales value by 138 percent.

Other USAID investments through biodiversity and sustainable landscapes funding created or expanded private sector partnerships to reduce commodity-driven deforestation and support investments in some of the world's most important tropical landscapes in Brazil, Colombia, Ecuador, Indonesia, and Peru. In FY 2023, USAID partners formalized the Landscape Action Plan for Ecuador's Northern Amazonia area, bringing 848,000 hectares under improved management—an area twice the size of Glacier National Park. USAID also trained more than 660 landscape partners representing the private sector, governments, and local farmers on deforestation risk analysis, emerging market requirements, and sustainable production. It engaged more than 230 companies, which is four times more than in 2021, in establishing partnerships to reduce deforestation and biodiversity threats, while boosting livelihoods.

In the Philippines, USAID partnered with the GForest program of GCash, a widely used mobile wallet, to establish mangrove nurseries that create livelihood opportunities. Members of the Coron and Culion communities in Palawan province monitor and maintain rehabilitated mangroves, which are among the most ecologically valuable ecosystems on the planet because they provide food, income, storm protection, and habitats for a variety of species.

4) Spotlight on Combating Nature Crimes

Nature crimes, which include wildlife trafficking and illegal logging, destroy and exploit valuable resources. They harm the vulnerable and often Indigenous and local communities that depend on them, and undermine the authority, wealth, and security of governments. In FY 2023, USAID played a lead role in coordinating and communicating the U.S. government response to wildlife trafficking. The Agency partners with governments, communities, and civil society to enhance monitoring, law enforcement, and prosecution; reduce consumer demand for wildlife products; and build international cooperation.

In Kenya, USAID has a successful track record of building local leadership in monitoring and conservation action. The Agency supports anti-poaching efforts through a sophisticated network of 1,100 scouts who patrol 20 community conservancies spanning 7.3 million hectares—nearly the size of Maine. In addition to the more than 1,800 people trained to address poaching and retaliatory wildlife killings in cases of human-wildlife conflict, USAID trained 90 people in conservation law enforcement and 15 community scouts from 10 conservancies on crime scene management. As with all USAID partnerships supporting enforcement of protected areas, this training included content on human rights principles and ethical application of authority, to safeguard against human rights abuse.

USAID also strengthens the capacity of the justice sector and other government stakeholders to prosecute nature crimes. With the Agency's support, Peru included wildlife trafficking in its organized crime framework, facilitating the flow of additional resources to environmental prosecutors. In Honduras, USAID built the capacity of stakeholders, including judges, along the main wildlife trafficking routes in the country to better address trafficking, set up control posts and handle confiscated wildlife. USAID partners also worked with civil society and justice sector representatives to update investigation protocols, clarify reporting processes, and strengthen the role of municipal units to act as local coordination bodies for addressing environmental crimes.

In Thailand, a USAID-supported media campaign to reduce the demand for wildlife products, such as elephant ivory, garnered 24 million views. The campaign led to a significant decrease in the percentage of target audience members who said they planned to buy wildlife products, from 33 to 4.5 percent. Governments, media and law firms, and influencers contributed in-kind support for accompanying anti-wildlife trafficking activities.

USAID fights illegal logging and timber trade through continued support for traceability of legal forest products, necessary for producers and importers to comply with to implement the U.S. Lacey Act (amended 2008). In partnership with the U.S. Department of Agriculture's Forest Service and nongovernmental organizations, and in coordination with the U.S. Department of State, U.S. Department of Justice, and other agencies, USAID supports the use of wood identification tools and improved information systems to rid supply chains of illegal timber. In Honduras, USAID supports research to identify illegal logging hotspots and methods, including "wood laundering." Common in the pine forests of central Honduras, this illegal logging practice entails harvesting forests without permits, then processing and marketing products through a

permitted entity. Understanding the nature of these crimes helps USAID develop evidence-based, targeted solutions.

5) Spotlight on Marine and Freshwater Conservation, and Addressing Illegal, Unreported and Unregulated Fishing

Together with governments, civil society organizations, and the private sector, USAID promotes collaborative marine, coastal, and fisheries management in support of biodiversity conservation, improved livelihoods, and food security goals.

USAID fights unsustainable fishing practices by empowering communities, strengthening science and management, developing private sector partnerships, and leveraging technology. Agency partners are supporting science-based, decentralized fisheries management and protecting Lake Malawi, the most biologically diverse freshwater lake in the world. Beach Village Committees around the lake have adopted and implemented new fishery bylaws, improving the management of 2.5 million hectares, which is an area larger than Vermont. USAID implementers are enabling this bottom-up stewardship by assisting the government with new tools to measure the status of fish stocks.

In Ghana, USAID has worked with the government, private sector, and fishing communities to counter illegal harvesting by industrial trawlers, which has driven declines in small pelagic fisheries that are vital to the livelihoods of small-scale fishers and food security throughout the region. With USAID support, the Government of Ghana has taken bold action to strengthen the regulation of the fishing gear used by industrial trawl vessels. To provide effective enforcement of the new gear requirements, USAID is helping the government and the Ghanaian Trawl Association implement real-time electronic monitoring on all fishing trawlers, in line with a national commitment to 100 percent transparency within the industrial fishing sector.

In the Pacific Islands, USAID improved community resource management and promoted alternative livelihoods in 15 coastal communities in the Federated States of Micronesia and Fiji. Through USAID support, more than 1,500 people in these communities held consultations, established marine protected areas, and developed integrated coastal management plans. As part of this broader effort to help communities better manage coastal resources, USAID also shared aquaculture and fishing best practices with small-scale women fishers and other marginalized groups and equipped them with financial literacy skills to better manage their tilapia and clam sales.

In Latin America and the Caribbean, USAID's multi-year investment in Antigua and Barbuda's Redonda Island helped transform this once-barren landscape into a reserve safeguarding around 30 globally threatened species and vital seabird colonies. In FY 2023, a 30,000-hectare land and sea reserve, which is roughly twice the size of Washington, D.C., was designated a protected area through the collaborative efforts of USAID, the U.S. Fish and Wildlife Service, the Governments of Antigua and Barbuda, and environmental organizations.

In other parts of the region where coastal communities depend on fish for income and food, USAID is improving community-based environmental management. Five Miskito Indigenous Territorial Councils in Honduras approved the USAID-supported Fisheries and Aquaculture Management Plan, which will improve marine resource management in the Karataska Lagoon. These and other efforts in the region brought nearly 216,000 hectares of biologically significant areas under improved management in FY 2023, which is an area nearly half the size of Delaware.

6) Regional Overview

a) Africa

USAID works with African governments, communities, and conservation trusts to improve natural resource management and stop nature crimes, including retaliatory wildlife killings stemming from human-wildlife conflict.

With Agency support, the Democratic Republic of the Congo's Garamba National Park has strengthened its law enforcement presence and improved local security and economic development. Having successfully addressed rampant poaching, the park and private sector partners were able to introduce 16 southern white rhinos last year. With improved security and USAID-supported ranger training, the park's newest inhabitants should be able to fill the important ecological roles of their northern white rhino cousins, now extinct in the wild due to poaching.

With a mix of funding from biodiversity, sustainable landscapes, health, and agriculture directives, USAID improves conservation, scientific research, and access to essential services in the biologically diverse landscapes that cover 25 percent of Mozambique's territory. In FY 2023, USAID trained nearly 470 rangers who patrol 660,000 hectares, supported eight communities in establishing community conservation areas around Gorongosa National Park, trained 770 community members in natural resource management, and increased economic benefits for 26,000 people by improving sustainable economic opportunities for men and women living around the park. Together, these efforts enhanced the management of more than 1.2 million hectares, which is an area nearly the size of Connecticut.

USAID also advances the Government of Mozambique's efforts to combat wildlife trafficking. With the Agency's support, the country's Attorney General's Office has consistently increased its prosecution rates for nature crimes, which are linked to both organized crime and corruption. This effort led to the successful prosecution of numerous high-profile poachers, as well as police officers and officials who had accepted bribes.

Zambia's Lower Lunga Luswishi Game Management Area strengthened its law enforcement capacity and presence for the first time with USAID support. Twenty-six community scouts were recruited, trained, and deployed as part of an anti-poaching unit. These and the other scouts supported by USAID—roughly 180 in total—have caught 100 poachers, seized roughly 2,800 pounds of bushmeat, and recovered 30 guns, 40 pieces of ammunition, and 630 wire snares.

Expanded law enforcement presence has made the area safer for wildlife. Elephants have been sighted there for the first time in 15 years.

In West Africa, USAID is working to protect chimpanzee populations and conserve their habitats. The Agency sponsored the training of 40 chimpanzee experts, representing six of the eight range states¹, on the Ape Populations, Environments, and Surveys (APES) Wiki, a platform that enriches and facilitates the sharing of information. USAID also supported the implementation of the Regional Action Plan for the Conservation of the Western Chimpanzee. A regional workshop brought together experts to design a biomonitoring framework for tracking the status and distribution of western chimpanzees.

b) Asia

Rapid economic growth without consistent application of environmental safeguards has caused unprecedented damage throughout Asia's forests, fisheries, wildlife, and vulnerable ecosystems. With government, private sector, and community partners, USAID enhances community-based environmental governance, mobilizes support for biodiversity conservation and sustainable landscapes, and promotes sustainable livelihoods and industries.

USAID targets the greatest threats to biodiversity in Vietnam in part by promoting conservation-friendly enterprise development, including community-based ecotourism. Three communities in national park and nature reserve buffer zones partnered with tourism companies with the Agency's assistance, generating stable income for 100 households. USAID also trained 600 individuals involved in extractive industries like logging and hunting in alternative livelihoods, the majority of whom are now engaged in more sustainable livelihoods, many through small businesses they own and operate.

In Nepal, USAID assisted local governments in their efforts to pass landmark Aquatic Animal and Biodiversity conservation legislation in two municipalities. These laws grant local governments the power to declare conservation areas or fish sanctuaries, which promotes more sustainable use of freshwater resources and enhances the livelihoods of river-dependent communities. USAID/Nepal also supports the Government of Nepal's efforts to bolster community forestry; landscape conservation; wild tiger, rhino, and dolphin conservation; and combating wildlife trafficking. In the last 10 to 12 years, the wild tiger population has increased by 194 percent, the one-horned rhino population by 40 percent, and the forest area by 6 percent.

USAID efforts are building an informed constituency to advocate for the conservation of the Mekong River, which supports countless rare and endangered species, as well as floodplains and forested wetlands that sustain people and wildlife. In addition to helping create and manage conservation areas, reduce the unsustainable harvesting of wild species, and protect essential habitats, USAID supports research that highlights the river's rich biodiversity. USAID's

¹ The Western chimpanzee subspecies is found in Côte d'Ivoire, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Senegal and Sierra Leone. USAID trained experts from all but Guinea-Bissau and Mali.

partners located the world's largest freshwater fish, a stingray weighing more than 660 pounds that now holds a place in the Guinness Book of World Records.

Indonesia, one of the world's largest seafood exporters located in the center of marine biodiversity, is accelerating the adoption of sustainable fishing practices along commercial value chains with USAID support. In FY 2023, USAID signed a memorandum of understanding with a tuna processing company to leverage \$2 million in investments that will improve ecological sustainability within its supply chain and increase compliance with the U.S. Marine Mammal Protection Act. Communities, too, are assuming greater ownership for sustainable resource management. Three Indigenous Papuan organizations are using USAID grants to strengthen traditional community-based Pokmaswas groups that monitor marine resource use.

c) Latin America and the Caribbean

In Latin America and the Caribbean, USAID conserves some of the world's most vital natural resources, including the Amazon rainforest, and engages and protects the communities and Indigenous groups who have coexisted with these biologically rich and diverse habitats for millennia.

Through a joint initiative with NASA, USAID is strengthening the capacity of government and civil society partners—particularly women's groups and Indigenous Peoples—to make data-driven conservation decisions in the Amazon. In FY 2023, 129 Indigenous leaders from Ucayali (Peru) and Acre (Brazil) learned to use geospatial tools, including the SERVIR-Amazonia dashboard, to identify threats to forests and biodiversity. USAID also assisted the Indigenous Federation of the Amazon of Ecuador and Madre de Dios in Peru in using geospatial tools for territorial monitoring.

With USAID's assistance, the Government of Honduras institutionalized forest fire protocols and improved efforts to understand, prevent, and respond to wildfires. Last year, this support helped cut response times in half, reducing the damage caused by fires. In Guatemala, USAID-supported monitoring, illegal logging deterrence, and stakeholder participation activities brought almost 936,500 hectares of biologically significant areas, which is nearly the size of Yellowstone National Park, under improved management.

USAID improved natural resource management on more than 1.2 million hectares in Colombia, an area roughly three times the size of Rhode Island. The Agency supported 11 laws to strengthen biodiversity conservation and sustainable landscapes, and trained nearly 5,200 people in natural resource management, 44 percent of whom were women. USAID also helped farmers apply best environmental practices, enabling them to attract premiums for their cocoa, coffee, and dairy products. These activities improved the livelihoods of nearly 6,200 Colombians, demonstrating conservation's economic benefits.

USAID's experience shows conservation work must be done in close collaboration with the Indigenous Peoples and local communities that depend on nearby natural resources. In Loreto and Ucayali, Peru, USAID partnered with 11 communities to conserve more than 16,000 hectares of forest on communally-owned land through a fine offset program. This important

program allows communities to reduce the legal fines owed for past illegal logging in exchange for setting aside communal forest areas for conservation.

Table 1: USAID's FY 2023 funding for Biodiversity, Forestry, and Combating Wildlife Trafficking Activities

Operating Unit (OU) of the US. Agency for International Development (USAID)	Investments in Biodiversity, during Fiscal Year (FY) 2023, in US\$	Investments in Forests and Forestry, during FY 2023, in US\$	Investments in Combating Wildlife Trafficking, during FY 2023, in US\$
USAID and State/OES/ECW ¹ ***	\$377,300,000	\$320,420,217	-
Total Funding for all USAID's OUs	\$375,400,000	\$318,520,217	\$78,100,000
of which, Total USAID Funding in Tropical Countries ²	\$366,400,000	\$315,645,217	\$76,600,000
Total Funding in Countries and Regions Designated as "Tier 1" Under <u>USAID's Biodiversity Policy</u> (highlighted blue) ³	\$207,700,000	\$195,072,292	\$43,400,000
Transfers to U.S. Government Partner Agencies ⁴	\$25,000,000	\$12,139,850	\$6,100,000
Sub-Saharan Africa			
USAID Africa Regional	\$3,000,000	\$1,050,000	\$400,000
USAID Central Africa Regional	\$45,000,000	\$46,744,375	\$13,000,000
of which directed to U.S. Fish and Wildlife Service (U.S. Department of the Interior) for conservation of great apes	\$8,500,000	\$8,500,000	\$3,500,000
USAID East Africa Regional	\$7,000,000	\$400,000	\$2,000,000
USAID Southern Africa Regional	\$11,000,000	\$1,150,000	\$8,000,000
USAID West Africa Regional	\$9,500,000	\$11,184,630	\$2,500,000
Republic of Ethiopia	\$2,000,000	\$1,000,000	\$0
Republic of Ghana	\$3,500,000	\$0	\$0
Republic of Kenya	\$9,600,000	\$2,480,000	\$4,500,000
Republic of Liberia	\$6,200,000	\$6,200,000	\$1,500,000
Republic of Madagascar	\$9,200,000	\$7,515,825	\$800,000
Republic of Malawi	\$4,400,000	\$1,000,000	\$500,000
Republic of Mozambique	\$9,000,000	\$9,720,000	\$2,700,000

Republic of Rwanda	\$2,000,000	\$2,000,000	\$0
Republic of Senegal	\$3,000,000	\$50,000	\$0
United Republic of Tanzania	\$11,000,000	\$4,250,000	\$3,000,000
Republic of Uganda	\$5,500,000	\$3,283,743	\$700,000
Republic of Zambia	\$4,200,000	\$8,179,136	\$900,000
Republic of Zimbabwe	\$1,000,000	\$0	\$0
Sub-Saharan Africa Total	\$146,100,000	\$106,207,709	\$40,500,000
USAID Asia			
Asia Regional	\$1,900,000	\$200,000	\$800,000
Pacific Islands Regional	\$7,000,000	\$481,605	\$0
Regional Development Mission for Asia	\$10,000,000	\$2,190,000	\$6,200,000
People's Republic of Bangladesh	\$8,200,000	\$8,073,885	\$1,200,000
Kingdom of Cambodia	\$4,600,000	\$9,015,871	\$2,500,000
Republic of India	\$2,000,000	\$9,200,000	\$0
Republic of Indonesia	\$15,500,000	\$14,223,851	\$2,000,000
Democratic Federal Republic of Nepal	\$9,000,000	\$1,500,000	\$1,500,000
Independent State of Papua New Guinea	\$5,000,000	\$5,693,352	\$0
Republic of the Philippines	\$19,400,000	\$9,410,000	\$2,500,000
Republic of Tajikistan	\$0	\$125,000	\$0
Democratic Republic of Timor Leste	\$1,300,000	\$0	\$0
Socialist Republic of Vietnam	\$10,000,000	\$8,026,693	\$4,500,000
USAID Asia Total	\$93,900,000	\$68,140,257	\$21,200,000
USAID Middle East		•	
Lebanon	\$0	\$1,250,000	\$0
USAID Middle East Total	\$0	\$1,250,000	\$0
USAID Latin America and the Carib	bean (LAC)	1	
USAID LAC Regional	\$800,000	\$500,001	\$0
USAID South America Regional	\$9,000,000	\$9,767,196	\$2,000,000

USAID Caribbean Development Program	\$5,500,000	\$0	\$1,700,000
USAID Central America Regional	\$4,500,000	\$719,500	\$0
Federative Republic of Brazil	\$25,000,000	\$29,000,000	\$2,500,000
Republic of Colombia **	\$27,500,000	\$40,345,000	\$2,000,000
Republic of Ecuador	\$6,000,000	\$2,170,000	\$500,000
Republic of Guatemala	\$7,500,000	\$6,985,000	\$600,000
of which directed to U.S. Department of the Interior	\$2,500,000	\$600,000	\$600,000
Republic of Haiti	\$0	\$4,000,000	\$0
Republic of Honduras **	\$4,000,000	\$5,475,000	\$800,000
United Mexican States	\$2,500,000	\$13,099,704	\$500,000
Republic of Paraguay	\$0	\$500,000	\$0
Republic of Peru	\$11,500,000	\$15,426,000	\$400,000
USAID Latin America and the Caribbean (LAC) Total	\$103,800,000	\$127,987,401	\$11,000,000
USAID Central Bureaus			•
Bureau for Resilience, Environment and Food Security	\$31,600,000	\$14,684,850	\$5,400,000
of which directed to U.S. Fish and Wildlife Service	\$6,500,000	\$0	\$2,000,000
of which directed to U.S. Forest Service (U.S. Department of Agriculture)	\$7,500,000	\$3,039,850	\$0
of which directed to sea turtle conservation efforts prioritized by the National Oceanic and Atmospheric Administration (NOAA)	\$150,000	\$0	\$0
Bureau for Inclusive Growth, Partnerships, and Innovation	\$0	\$250,000	\$0
	\$31,600,000	\$14,934,850	\$5,400,000

Bureau of Oceans and International Environmental and Scientific Affairs/Office of Conservation and Water (OES/ECW)	\$1,900,000	\$1,900,000	\$0
U.S. Department of State Total	\$1,900,000	\$1,900,000	\$0

Funding Table Notes

- ¹ These budget allocations or attributions are USAID-only, except State/OES/ECW funds designated for meeting part of a \$4 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 is attributable to Forests and Forestry.
- ² A total for Tropical Countries is calculated to meet requirements for reporting on Tropical Forests. All operating units focus on tropical countries except USAID/Lebanon, USAID/Nepal and USAID/Tajikistan.
- ³ Operating Units focused on countries or regions designated as "Tier One," or high priority under USAID's Biodiversity Policy, are shaded blue.
- ⁴ The FY24 Appropriations Act directs USAID to transfer environment funds to specific agencies including Department of Interior, U.S. Fish and Wildlife Service, and U.S. Forest Service, noted as "of which..." in the table.
- * Only State/OES/ECW funding to support the 2008 amendment to the U.S. Lacey Act are represented here. Non-Lacey Act funds managed by the Department of State, including Sustainable Landscapes and Combating Wildlife Trafficking directive funds, and associated attributions, are not represented in this USAID funding table.
- ** Data is representative of available information as of August 30, 2024, accounting for expected deviations. FY 2023 data is subject to change as spending is finalized.
- *** FY2023 funding levels are below the USD \$385 million appropriated for biodiversity conservation via the Consolidated Appropriations Act, 2023 per USAID's 7060(h) deviation authority. Deviations were submitted to Congress on May 20, 2024