Conservation Strategy Fund

BUILD Year 1 Annual Report

October 1, 2011 – September 30, 2012

I: Summary of Activity Status and Progress

a. Introduction:

Between October 1, 2011 and September 30, 2012, Conservation Strategy Fund (CSF) and partners implemented the first year of the USAID program, Biodiversity Understanding in Infrastructure and Landscape Development, BUILD. The program aims to harmonize the development of infrastructure with the maintenance of biodiversity in the Andes, Brazil, the Albertine Rift and the Himalayas.

During the first year, CSF focused on training key actors in the first three regions mentioned, as well as on information gathering, building online analysis tools and providing technical support to policy makers in Peru in particular. The economics courses drew 3-10 times as many applicants as there were places available, resulting in very strong cohorts. Information gathering on projects and policies was successful in most places, though hamstrung in areas where projects are considered sensitive and public access is tenuous. The online version of CSF's Roads Filter was launched as planned in the first year, and a more interactive version will be forthcoming in Year 2, in tandem with the upgraded analysis tool for dams, the HydroCalculator. CSF's technical support (and that of several other organizations) for the Peruvian government culminated in an official directive that will be used to guide the drafting of regulation on ecological compensation required for infrastructure and other development projects.

Implementation was largely successful. Among management issues worthy of note, launching in Africa required considerable effort on our part and on that of the Uganda National Environmental Management Authority (NEMA). CSF and NEMA agreed on a formal partnership, which has proven important to the success of training activities and to CSF's understanding of the government's objectives and challenges. Securing those advantages for BUILD required time and effort much greater than in the South American regions, where we have been working for much longer and where civil society has established a robust role in public policy debates.

b. Highlights:

- Africa Coordinator, Sarah Naigaga, hired to help support CSF's BUILD activities in the Albertine Rift, including the training course, media training, policy forum and follow-up analyses. Sarah graduated from CSF's training in 2004 when she was an attorney with Greenwatch, a leading Ugandan environmental advocacy organization. Subsequently she directed the Nile Basin Dialogue, a multi-national organization set up to find natural resource solutions in that river basin. Sarah is

based at the Uganda National Environmental Management Authority (NEMA), our implementing partner in the region, and is coordinating all BUILD activities involving NEMA.

- Economics Tools for Conservation and Infrastructure Planning courses offered in Brazil (BUILD match funds) and Uganda (BUILD funds) with excellent cohorts and high ratings on participant evaluations. Almost 4,500 person-hours of training delivered. An additional infrastructure-focused course was delivered in Peru with the Initiative for Conservation in the Andean Amazon (ICAA-II) that was not funded via the BUILD program but contributed to the overall goals of BUILD.
- In-house training partnership planned with the Colombian Environmental regulator Autoridad Nacional de Licencias Ambientales (ANLA), in which agency staff will be trained in environmental valuation methods.
- Information gathered on key bottlenecks restricting public knowledge about infrastructure projects in Brazil, Bolivia, Peru, Ecuador and Colombia.
- Information gathered on environmental impact legislation and other key policies in Uganda, Democratic Republic of Congo, Brazil and Peru; as part of partnership with ELAW. Through this partnership, innovative and effective policies have also been researched in Colombia, Nepal, and the Philippines.
- Information gathered on innovative compensation mechanisms, as well as continuous participation on discussions on the subject, with national and international organizations such as the Amazon Infrastructure Working Group, Initiative for Conservation in the Andean Amazon (ICAA II), Inter-American Development Bank (IDB), WCN and the Peruvian government. Information about these mechanisms was included in the courses in Brazil and Uganda.
- Peru's Ministry of Environment supported in drafting a Directive on ecological compensation for development projects, which will be the base for regulations yet to be written.
- Information gathered on dams greater than 100 MW in Brazil, Bolivia, Peru, Ecuador and Colombia.
- Infrastructure web resource area designed for rollout in Year 2
- Sortable Roads Filter list developed and launched, including 36 Amazon region roads of concern.
- HydroCalculator upgrades in development to improve ease of use and accuracy, with launch planned for Fall 2012.
- Analysis proposals solicited from participants in Uganda-based course. Four out of eleven proposals have been selected as finalists, and between two and four projects will be supported subject to revisions now underway. Proposed projects will evaluate oil pipelines in Uganda and roads potentially affecting protected areas in Tanzania and Uganda.

- CSF has pursued continued analysis of several major infrastructure projects leveraged, but not paid directly, by BUILD funds, including the Inambari dam in Peru, the Pucallpa-Cruzeiro do Sul Road between Peru and Brazil, and the Cachuela-Esperanza dam in Bolivia The Inambari report can be downloaded via http://conservation-strategy.org/sites/default/files/field-file/ES_Pucallpa_DP.pdf. A 2-page policy brief about the Inambari dam can be downloaded via http://conservation-strategy.org/sites/default/files/field-file/csf_policy_brief_11_en.pdf. The Pulcallpa road report can be downloaded via http://conservation-strategy.org/sites/default/files/field-file/ES_Pucallpa_DP.pdf and the 2-page policy brief via http://conservation-strategy.org/sites/default/files/field-file/csf_policy_brief_12_es_1.pdf. More information about the Cachuela-Esperanza dam can be found at http://conservation-strategy.org/en/project/cost-benefit-analysis-cachuela-esperanza-hydroelectric-project.

c. *Challenges:*

- The politically sensitive nature of oil development in Uganda is an issue that CSF has had to take very seriously, maintaining good communication with our government partners to ensure that BUILD has the greatest positive impact possible.
- Facilitating access of information on infrastructure projects to the general public in the Albertine Rift has proven to be quite challenging. During year two we will explore different ways in which the program can promote making this information more readily available to the public across the region.
- Working across three regions that encompass more than ten countries has been challenging, requiring management of local expectations to match the budget available to work in each region.
- Safety issues in the DRC, such as in the vicinity of Goma, have made it challenging to plan training activities there.

d. *Adaptive Management in Action:*

In the Albertine Rift, we initially envisioned the program being coordinated regionally from Uganda through our partnership with NEMA. Due to the fact that NEMA is a Ugandan government agency, we soon recognized that it was not appropriate to use this institution to coordinate activities in other countries. Therefore, starting in December of 2011, we have been cultivating collaborations with other institutions in the region. Safety concerns in Goma have also forced us to relocate training activities to Kinshasa. For the training course in DRC, we are therefore developing a collaboration with the Regional Post-graduate Training

School on Integrated Management of Tropical Forests and Lands (ERAIFT) in Kinshasa. This decision was made after assessing different possible collaborators and receiving guidance from other partner NGO's and CSF alumni in the region.

Also, we decided to carry out the request and review of analysis proposals as a CSF initiative instead of a joint CSF-NEMA initiative. This was to avoid problems that could arise from having only one particular government agency involved in a selection process in which other countries were applying. Also, this opened the possibility for NEMA to apply as an implementing organization. As with the course, CSF will develop direct collaborations with the organizations selected to carry out the analysis projects. The role of the Africa Coordinator will continue as planned in Year 2 in terms of supporting a follow-up economic analysis project in collaboration with NEMA, the media training, the policy forum, and the infrastructure policy work. We will also be supporting one to three additional follow-up economic analysis projects starting in Year 2 in collaboration with other organizations in the Albertine Rift. The Africa Coordinator will not be the lead coordinator of these projects since she is housed within NEMA, and instead other CSF staff will help manage these projects.

Sharing and collecting information on infrastructure projects in the Albertine Region has also proven to be difficult, particularly in Uganda where we have worked intensively over the last 12 months. Discussions with participants during the course yielded additional information about infrastructure analysis priorities, and we anticipate that the follow-up analysis process will generate significant information on key infrastructure projects in the region. We are also holding meetings within NEMA in the first part of Year 2 specifically to determine if and how our program will be able to facilitate sharing this type of information.

After assessing the opportunities and the capacities of the applicants for the In-house Trainings in the Andes-Amazon, we decided to carry out one in-house training with a project-based focus in Bolivia, and another with a training-based focus in Colombia. The in-house capacity building with ANLA in Colombia aims to train government Environmental Impact Assessment (EIA) analysts in environmental valuation methods, create an environmental valuation handbook for road development, and carry out or review a road project environmental valuation. The in-house capacity building with WCS in Bolivia will estimate the change in opportunity cost of local forest conservation due to paving the San Buenaventura-Ixiamas road.

In Brazil, we believe we will have greater policy impact by concentrating our efforts in participating more intensively in already existing groups, such as the Amazon

Infrastructure Working Group, and other initiatives that work in promising infrastructure and conservation efforts. CSF's contribution to these working groups is bringing an innovative technical approach that partners in the groups greatly value. In addition, we have not yet hired a BUILD Brazil Coordinator as we successfully carried out all of the Year 1 Brazil-based activities, including the economic tools training course and engagement in policy discussions, with our current CSF staff in Brazil and the US.

e. Table of Activity Status:

Activity Number	Activity Title	Status
Objective 1: Government and civil society understand, discuss and use information on the real economic and ecological tradeoffs of infrastructure projects to improve ecological and economic outcomes.		
1-1	Train key people inside and outside government to perform integrated environmental-economic project analysis.	On-track
1-2	Improve groups' access to information required to analyze and compare infrastructure options.	Mixed performance
1-3	Use training and case analysis to change outcomes of specific infrastructure project to protect biodiversity	On-track
Objective 2: There are clear policies governing project selection, mitigation and compensation.		
2-1	Ensure that policy-makers have access to good models.	On-track
2-2	Provide technical assistance to decision-makers and advocates formulating policies.	On-track
Objective 3: There are financial mechanisms that maximize compliance with mitigation and compensation agreements and regulations.		
3-1	Promote adoption of financial mechanisms.	On-track
3-2	Ensure local people affected by infrastructure projects and compensatory measures are involved in monitoring mitigation and compensation.	n/a

II. Detailed Description of Progress

a. Key short and long-term program objectives.

The overall goal of Conservation Strategy Fund's (CSF) BUILD program is development of infrastructure policies and investment decisions that are ecologically sound, economically efficient and socially equitable to different populations and genders. CSF will gather, test and disseminate best practices at a global level, while investing in capacity and policy change in specific regions: the Amazon and Andes

and the Albertine Rift. Limited activities will also be directed to the Serengeti and Himalayan regions.

CSF's BUILD program will create lasting human capacity for infrastructure analysis, gather and aggressively share information globally on what countries are doing *right*, and work intensively with several governments in the Albertine Rift and Andes-Amazon regions on policy innovations to reduce biodiversity loss due to infrastructure development. By improving selection, design and mitigation of key infrastructure projects, BUILD will impact biodiversity conservation in the focus region in the short term. In the long-term, BUILD will have biodiversity impacts by building analytical talent, technical knowledge and better policies, which together will determine the scale of biodiversity and social impacts of dozens of infrastructure decisions over the coming decades of economic growth.

CSF recognizes that there are economic, institutional, cultural and legal barriers to the adoption of biodiversity-friendly infrastructure policies. We will spotlight the leverage points that can bring about systemic change in on-the-ground outcomes and work with the actors in control of those levers.

In this way, CSF's BUILD program will work towards USAID's overall BUILD goal to *"Improve policy, regulatory and planning approaches to avoid or reduce negative impacts of infrastructure development on biodiversity through innovation and learning, focused on engagement with government, local stakeholders and civil society."*

We have three major objectives that we believe are necessary conditions for achieving the overall goal of our BUILD program:

1. Government and civil society understand and discuss the real economic and ecological tradeoffs of infrastructure projects.

   Activities under this Objective include formal training in environmental economics for governments, NGOs and other stakeholders, mentored environmental-economic analyses, in-house technical capacity building, media training, and improved access to information required to analyze and compare infrastructure options.

2. There are clear policies and procedures governing project selection, mitigation and compensation.

   Activities under this Objective include a review of best practices in infrastructure policy, recommendations for policy improvement, dissemination

of existing policy innovations, and policy design support for government, NGOs and affected peoples.

3. There are financial mechanisms to maximize compliance with environmental requirements.

   Activities under this Objective include reviewing options for financial mechanisms and channels, promoting the adoption of those mechanisms by policymakers, and ensuring involvement of local people in monitoring mitigation and compensation.

Year 1 of CSF's BUILD program has focused on efforts to plan, coordinate and launch the program, deliver training courses in the Amazon-Andes and Albertine Rift regions, launch in-house technical support programs, gather information on proposed infrastructure projects, select projects for follow-up analysis in the Albertine Rift, and review infrastructure policy best-practices and financial compensation mechanisms at regional and global levels.

b. Summary of Progress for Each Site

Andes-Amazon

In the Andes-Amazon region, we have made significant progress in building capacity in economic analysis, implementing two-week training courses on Economics Tools for Conservation and Infrastructure Planning in both Peru and Brazil, as well as selecting two organizations to receive in-house technical support for economic analysis. We have collected data on major road and hydroelectric infrastructure projects and information bottlenecks throughout the region, and have updated and developed online tools and platforms for sharing this information to the public. We have also made strides in the policy arena in the Andes-Amazon, assessing infrastructure best practices and financial compensation mechanisms in Peru, Brazil and Colombia, and assisting the Peruvian government in designing and drafting policies for ecological compensation for development projects. In related efforts, we have also completed analyses of the Inambari dam in Peru and Pucallpa-Cruzeiro do Sul Road between Peru and Brazil. We are stretched in terms of staff and budget to implement all of the activities in all of the Andes-Amazon countries, so our strategy in this region has been to take advantage of existing civil society networks and our own regional staff to maximize the impact of the project. For example, in the Andes-Amazon, we are focusing the in-house capacity building for economic analysis in Colombia and Bolivia, where our permanent staff presence will ensure a greater likelihood of success. In Brazil, we believe we will have greater policy impact by participating more intensively in already existing groups, such as the Amazon

Infrastructure Working Group, and other initiatives involved in promising infrastructure and conservation efforts. CSF's contribution to these working groups is bringing an innovative technical approach that partners in the groups greatly value.

Albertine Rift

We have successfully launched our program in the Albertine Rift region, thanks to our efforts as well as those of the Uganda National Environmental Management Authority (NEMA). CSF and NEMA agreed on a formal partnership, which has proven important to the success of training activities and to CSF's understanding of the government's objectives and challenges. We have spent considerable effort building connections and relationships with other NGOs and national and district government offices in the region. In Year 1 of the program, we have also made significant progress in building capacity in economic analysis, implementing a two-week training course on Economics Tools for Conservation and Infrastructure Planning in Uganda. Following the course, we received 11 proposals by course graduates for follow-up economic analysis of infrastructure projects. We have selected four finalist proposals, and we are planning to support between two and four projects that will analyze oil pipelines in Uganda and evaluate roads potentially affecting protected areas in Tanzania and Uganda. We have had more limited success collecting and sharing information on infrastructure projects in this region, given the politically sensitive nature of infrastructure development and lack of public discourse in policy debates. In an effort to mitigate this challenge, we are maintaining good communication and collaboration with our government partners, and we will be conducting a follow-up project with NEMA to analyze a proposed oil pipleline development. We have also gathered information on infrastructure policy best practices and financial compensation mechanisms in Uganda and the Democratic Republic of Congo as part of our partnership with ELAW.

c. Activity Description

Objective 1: Government and civil society understand, discuss and use information on the real economic and ecological tradeoffs of infrastructure projects to improve ecological and economic outcomes.

Activity A1-1: Train key people inside and outside government to perform integrated environmental-economic project analysis.

Major Achievements and Progress:

- Curriculum, materials and exercises developed and new instructors recruited for Economic Tools for Conservation and Infrastructure Development courses in Peru, Uganda and Brazil.
- Three Economic Tools for Biodiversity Conservation in Infrastructure Development courses were implemented in Year 1, one in Albertine Rift and two in the Andes-Amazon. Each course focused on economic theory and analysis tools applied to biodiversity conservation and infrastructure development. The courses included a presentation on infrastructure legal frameworks via our ELAW partners. Each course received an overall rating of over 4.5 on a 5-point scale in course evaluations, and 100% of participants stated that they plan to apply the skills and tools they learned to their work. The course schedules and participant lists are included as Appendices.
    - Andes-Amazon: May 28-June 8, 2012 in Peru as part of ICAA II - http://conservation-strategy.org/es/course/herramientas-económicas-para-la-conservación-en-la-amazon%C3%AD-andina-perú-2012. We received close to 300 applications for the course. This course was not funded with BUILD funds or BUILD match funds, but contributed to the overall goals of the BUILD program.
    - Albertine Rift: June 11-22, 2012 in Uganda - http://conservation-strategy.org/en/course/economic-tools-conservation-uganda. We received over 275 applications for the course. 28 participants, 20 men and 8 women, attended the course from Uganda, DRC, Burundi, Rwanda, Tanzania, Ethiopia (WCN participant) and Botswana (WCN participant).
    - Andes-Amazon: August 13-24, 2012 in the Brazilian Amazon - http://conservation-strategy.org/en/course/ferramentas-econ%C3%B4micas-para-conserva%C3%A7%C3%A3o-e-planejamento-de-infraestrutura-na-amaz%C3%B4nia-formul%C3%A1r. 25 participants, 17 women and 8 men, attended the course from organizations and institutions working on infrastructure issues in the Brazilian Amazon.
- Selection of finalists for follow-up analysis projects in the Albertine Rift. During and after the course, we discussed with course participants the goals and structure of the projects, and after the course participants were invited to submit proposals for follow-up analysis projects to analyze the environmental-economic impacts of specific infrastructure threats to biodiversity. At the end of Year 1, eleven proposals were submitted and four were selected as finalists, two that are focused on analysis of oil pipelines in Uganda, and two that are focused on analysis of proposed roads through National Parks in Uganda and Tanzania. We will support between two and four projects, and final project selection is pending completion of requested proposal revisions, due in the beginning of Year 2. The analysis

projects will commence in the beginning of Year 2 and will be completed by the middle of Year 3. The proposal guidelines are included as an Appendix.

- In the Andes-Amazon, two institutions have been selected to receive in-house analytical support and training. One project will be carried out with the Colombian Environmental regulator Autoridad Nacional de Licencias Ambientales (ANLA) in Colombia. The goal of this in-house training is to train government Environmental Impact Assessment (EIA) analysts in environmental valuation methods, create an environmental valuation handbook for road development, and carry out or review a road project environmental valuation. The in-house capacity building with Wildlife Conservation Society (WCS) in Bolivia will estimate the change in opportunity cost of local forest conservation due to paving the San Buenaventura-Ixiamas road. The Bolivia in-house project will not count as BUILD match funds, but will contribute to the overall goals of the BUILD program.
- While not a BUILD project, we would like to note that the analysis of the Pulcalpa-Cruzeiro road between Peru and Brazil has been completed, and we are now working with partners on the 2nd phase to look at alternatives.

Key management issues and challenges:

One challenge we found during our training courses in Uganda and Brazil was that the Internet connections were too slow to have all 25-30 participants simultaneously online using the HCT and Roads Filter tools "live" during the course. This is not because the online tools require any extra bandwidth, in fact they do not require downloading or uploading any information, but simply because the Internet connections could not handle everyone online at once. We adapted our curriculum to give presentations about the tools and live demonstrations, and taught the methods for using them in order to inform our participants of the availability and usefulness of these resources. We will continue to develop offline versions in Excel for teaching purposes in places where the bandwidth cannot handle multiple users accessing the Internet at once. Participants will be able to use the tools once they are back in their home offices, since it will be one or two users needing to access the Internet instead of 25-30 at once.

Because of safety concerns in eastern DRC, as well as the practical difficulties of partnering with NEMA to hold a course in DRC, we have decided to hold the training course in Kinshasa instead of Goma, and in collaboration with the Regional Post-graduate Training School on Integrated Management of Tropical Forests and Lands (ERAIFT).

In an effort to avoid problems that could arise from having one particular government

agency involved in the Albertine Rift project selection process (in which other agencies and countries were also applying), we decided to carry out the request and review of analysis proposals as a CSF initiative instead of a joint CSF-NEMA initiative. This also opened the possibility for NEMA to apply as an implementing organization. As with the course, CSF will develop direct collaborations with the organizations selected to carry out the analysis projects.

Sharing and collecting information on infrastructure projects in the Albertine Rift region has also proven to be difficult given the politically sensitive nature of infrastructure development and lack of public discourse in policy debates. In an effort to mitigate this challenge, we are maintaining as good communication and collaboration with our government partners as possible. We will be conducting a follow-up project with NEMA to analyze a proposed oil pipleline development, and we will also hold specific meetings within NEMA in the first part of Year 2 to determine if and how our program will be able to facilitate sharing information on infrastructure development.

We are also stretched in terms of staff to implement all of the activities in all of the Andes-Amazon countries. Our strategy in this region has been to take advantage of existing civil society networks and our own regional staff to maximize the impact of the project given our budget and timeline. For example, in the Andes-Amazon, we have decided that the in-house capacity building for economic analysis will be focused in Colombia and Bolivia, where our permanent staff presence will ensure a greater likelihood of success.

Activity A1-2: Improve groups' access to information required to analyze and compare infrastructure options.

Major Achievements and Progress:

- Information on key infrastructure projects and their financing has been collected from Peru, Ecuador, Colombia and Brazil, and information bottlenecks identified. The survey and results are included as an Appendix. In Uganda, we have a list of major projects, but have not been able to obtain specific information on all of them. However, through the process of project proposals following the course, we have been able to obtain more detailed information about several key infrastructure projects in the Albertine Rift region.
- Online analysis tools such as the Hydrocalculator (HCT) and Roads Filter updated.

- The HCT - http://conservation-strategy.org/en/hydrocalculator-analyses - has new features that will be launched in November 2012, including as a more detailed vegetation type selector, a more accurate map location picker, and geo data by satellite imagery to help the user better determine the vegetation types. In additional, field data on all major dams over 100MW have been gathered in the Andes-Amazon from Brazil, Peru, Colombia, Ecuador and Bolivia. Information has been collected in Uganda on several dam projects but we have not been granted permission to share it publicly.
- The Roads Filter 2.0 version - http://conservation-strategy.org/en/infrastructure/roads - was launched in May 2012 as an upgrade from the previous downloadable Excel spreadsheet. 36 roads of concern in the Amazon region have been entered. Features include an online sortable table, detailed description of variable weights, help articles, and availability in all three languages. Version 3.0 is slated to be launched by the end of 2012. We have also built the back-end of the infrastructure portion of our website that will include an infrastructure project inventory, infrastructure policies and standards, online analysis tools, publications, and links to other useful resources and tools.

Key management issues and challenges:

Reaching media from all countries within the Andes Region during one workshop is impractical, so we are going to focus our efforts in Peru where we are also doing substantial work with the government on infrastructure policy and financial mechanisms for compensation and mitigation. Because working with the media is new for us, we have decided to collaborate with several organizations experienced in working with the media, such as ICAA, Internews, and CIFOR. The media workshop in Peru was originally planned with CIFOR and Internews in July 2012, but the workshop focus was shifted from infrastructure to REDD. We have now planned to hold the media training in Peru with ICAA in Year 2, most likely in December 2012. In Brazil, we plan to partner with the Amazon Infrastructure working group or one of its member institutions.

In Uganda, we have decided to the postpone the media training until Year 2 so we can collect more information on infrastructure projects in the region, and so that we can present the results of the survey by ELAW on infrastructure policy best practices, innovations and financial mechanisms for compensation and mitigation.

Activity A1-3: Use training and case analysis to change outcomes of specific

infrastructure projects to protect biodiversity.

Major Achievements and Progress:

- We have held meetings and communicated via phone and email with key partners and government policymakers in Andes-Amazon and Albertine Rift region to discuss priorities for infrastructure analysis and also to lay the groundwork for communication and dissemination of project results in Year 2 and Year 3.
    - In Uganda, we have had meetings with the following organizations and institutions: NEMA, Uganda National Road Authority, Hoima District Government, Bulisa District Local Government, Kasese District Local Government, Ministry of Finance, Planning and Economic Development, Uganda Wildlife Authority, ACODE, STAR program Uganda, WCS Uganda, Bwindi Mgahinga Conservation Trust, Tullow, and Makarere University, among others. In Rwanda, we also had a meeting with the Rwanda Development Board Authority and WCS Rwanda. We also introduced the program to the Rwandan Environment Management Authority via e-mail.
    - In the Andes, given that we have already information about infrastructure projects and we already have established partners and collaborators in the region, our work has concentrated on consulting them about analysis priorities for road and hydroelectric projects. The organizations consulted included: TNC Peru, WCS Peru, Peruvian Environmental Ministry, TNC Ecuador, ECOCIENCIA Ecuador, Grupo FARO Ecuador, SENPLABES Ecuador, ECODESICION Ecuador, ANLA Colombia, CI Colombia, and TNC Colombia.
    - In Brazil, our worked has focused on conducting meetings with partners and collaborators, including the Amazon Infrastructure Working group in Brazil (CSF, Imazon, Insituto Centro de Vida, Idesam, WWF, Instituto Socioambiental, Avina Foundation, TNC and others).to discuss infrastructure analysis priorities.
- We have also received guidance on infrastructure analysis and policy priorities during the meetings held with USAID country missions, including the Uganda Mission, Peru Mission, and Brazil Mission.

Key management issues and challenges:

We have found that emails to partners and collaborators requesting their input about priority infrastructure projects has proven to be a fairly good way to involve them in the process, however we need to find a better way to solicit their actual opinions. Only one organization has responded giving their opinions about the projects. All the

others have only thanked us for providing the information. In the Albertine Rift, obtaining information about infrastructure projects and priorities continues to be a challenge, but we have found that the project proposal and selection process is a good way to gain more information on these projects, and we expect the project analysis process to yield a great deal of information.

Objective 2: There are clear policies governing project selection, mitigation and compensation

Activity A2-1: Ensure that policy-makers have access to good models.

Major Achievements and Progress:

- A review of best practices and innovations in infrastructure policy has been compiled by ELAW and its network of local partners, focusing on the Andes-Amazon (in-depth in Brazil and Peru, and on innovations in Colombia), Albertine Rift (in-depth in Uganda and DRC) and Himalayas (innovations in Nepal) regions and also including examples of innovative and successful policies from the Philippines. The review also included an assessment of whether gender impacts are being explicitly considered. ELAW worked with their partners to conduct the assessment based on three questionnaires that were reviewed by CSF staff. ELAW maintained an iterative process via email, phone and in person interviews with partners and collaborators to determine best practices and innovations in infrastructure policy. The final results of the survey are slightly delayed, and we expect to receive ELAW's final report by November. Information from this policy review will be synthesized in order to identify opportunities for improving existing infrastructure policies in focus regions.
- We have laid the groundwork in order to participate and collaborate on infrastructure-related forums both in the Andes and in Brazil during Year 2 of the project. In the Andes, we are already involved in the Initiative for Conservation of the Andes Amazon Phase II (ICAA II), and so the forum on infrastructure and biodiversity policy will probably be nested within this multi-country initiative to give it a wider regional dimension. At the beginning of Year 2, we will evaluate the best geographic scale for a forum in Brazil in collaboration with the Amazon Infrastructure working group (CSF, Imazon, Insituto Centro de Vida, Idesam, WWF, Instituto Socioambiental, Avina Foundation, TNC and others).

Key management issues and challenges:

The review of infrastructure policy best practices took several months longer than expected, so our work to publicize and disseminate policy best practices and

innovations as well as pursue opportunities for policy improvements will begin in earnest in Year 2. The policy forums in the Andes-Amazon and in Albertine Rift have likewise been shifted to Year 2.

The difficulty accessing information on infrastructure projects in the Albertine Rift has also affected our planning for the infrastructure forum in Uganda. We would like to hold the policy forum in Year 2, but it may depend on whether we are able to access and share information publicly on infrastructure projects and policies. If information bottlenecks persist, we may postpone the forum to Year 3 and use the forum as an opportunity to present results from the follow-up analysis projects. The forum will also include a presentation of policy best practices, opportunities for policy reform, and financial mechanisms for mitigation and compensation.

Activity A2-2: Provide technical assistance to decision-makers and advocates formulating policies.

Major Achievements and Progress:

- Opportunities for infrastructure policy reform have been identified in Peru, Brazil, Uganda and DRC. ELAW conducted surveys via email, phone and in person interviews with partners and collaborators to determine the baseline legal framework for infrastructure policy reform and its current implementation. The survey also collected data about gender issues in infrastructure policy and the existence of a window of opportunity for policy reform. The review includes information about opportunities to improve existing policies in the Andes-Amazon and Albertine Rift. The three training courses and discussions with participants in Year 1 also gave us valuable input into opportunities for policy reform. Other work we have been doing, such as with the Environmental Ministry in Peru, ANLA in Colombia, the Amazon Infrastructure working group in Brazil, and NEMA in Uganda, has given us additional insight into opportunities for infrastructure policy improvement.
- Partners, policymakers and other stakeholders have been identified for outreach on policy reform opportunities. Partners and other collaborators include our current networks in the Andes (e.g. ICAA, ANLA partnership), Brazil (e.g. Instituto Socioambiental - ISA, Amazon Infrastructure working group), Uganda (e.g. NEMA, District government offices, Uganda Wildlife Authority, ACODE, WCS Uganda, the USAID-Uganda mission), and DRC (e.g. ERAIFT, WCS, EREST (Renewable Energies and Healthier Environment for All), TCCB (Tayna Center for Conservation Biology), as well as new networks with course graduates.

- We have started planning for outreach on policy reform via our collaborators, media, and other networks. Planning will continue once the results from the ELAW survey are complete, and in parallel with our media training efforts. We have a list of media in Uganda and contacts for communication people, although it is unclear what level of information sharing will be possible in the region. In the Andes our strategic plan is to use the ICAA network, and in Brazil we have held meetings with media and plan to work with ISA and solicit assistance and contacts via the Amazon Infrastructure working group.

Key management issues and challenges:

None to date.

Objective 3: There are financial mechanisms that maximize compliance with mitigation and compensation agreements and regulations.

Activity A3-1: Promote adoption of financial mechanisms.

Major Achievements and Progress:

- Information collected via ELAW surveys on legal frameworks for financial mechanisms, including compensation and mitigation agreements and regulations, in target countries of Peru, Brazil, Uganda and DRC, as well as information we are collecting on other mechanisms such as biodiversity offsets. This information will be incorporated into the document on financial incentive mechanisms that will be produced in Year 2.
- In Year 1 this process has concentrated on working with the Peruvian government on opportunities to create an innovative compensation system. We have been intensively engaged through a series of weekly meetings with the Ministry of Environment of Peru and with a working group of civil society organizations on a policy for ecological compensation for infrastructure impacts. Our proposal includes an environmental fund as a mechanism to direct payments from project developers to high priority compensation sites. CSF staff has been integral players in drafting, debating and shaping the ideas for this mechanism. We are also studying the Colombian model, which is the only other ecosystem compensation model we have found in the Andes region. In Brazil we are exploring working with Imazon in Pará as well as TNC Brazil.
- Promoted collaboration between public interest law NGOs and biodiversity conservation groups. In each course we have included legal NGO representatives as participants and have incorporated a policy and law module, which has been an

eye opener for conservation representatives. We plan to keep building these connections through policy forums, and if possible we will try to set up specific meetings and facilitate interactions among various individuals and organizations.

Key management issues and challenges:

We have decided to postpone our policy paper on financial incentive mechanisms to Year 2 so that we can incorporate the final results of the ELAW surveys and information on legal frameworks, as well as new information we are collecting on other mechanisms such as biodiversity offsets. This policy paper will also be incorporated into the policy forums. In Year 1, we conducted research about the existence of legal framework for these mechanisms, and in Year 2 we will be collecting more data to determine whether a given mechanism is functioning.

Activity A3-2: Ensure local people affected by infrastructure projects and compensatory measures are involved in monitoring mitigation and compensation.

Major Achievements and Progress:

- While no Year 1 Outcomes were planned for Activity A3-2, in both the Uganda and Brazil courses we did include protected areas staff involved in monitoring, local environmental officers, and NGOs who work directly with communities.

III. Success Stories and Lessons Learned

We plan to develop these 1-page success stories as part of our Year 2 and Year 3 Annual Reports.

IV. Next Step(s) and Priorities

In Year 2, our priorities are to expand our capacity building and policy reform work in the Andes-Amazon and Albertine Rift. We will deliver a 2-week economic tools course in DRC, implement training for media, conduct in-house capacity building in the Andes-Amazon, and initiate infrastructure project analyses in the Albertine Rift. We will continue our policy reform work with the Peruvian government, and work with NEMA, the Amazon Infrastructure working group, and other collaborators on identifying opportunities for policy improvement and reform, such as the environmental impact assessment process and policies regarding mitigation and compensation.

We will hold three policy forums, in Peru, Brazil and Uganda, that will showcase best practices in infrastructure policy, ideas for policy reform opportunities, information on financial incentives for mitigation and compensation, and results from CSF infrastructure analysis projects in the region. We will develop a policy paper on financial incentive mechanisms for mitigation and compensation, and begin outreach to encourage adoption of these mechanisms.

During Year 2, we will work with media, protected areas staff, and local social organizations to provide clear, simple information on mitigation and compensation. In some cases, this activity will be closely related to the analysis projects. We will also continue improving and expanding our online resources, tools and communications for analysis of infrastructure projects and policies.

V. Photos

https://picasaweb.google.com/bonine1/CSFBUILDYear1AnnualReportPhotos?authkey=Gv1sRgCOPf-4XX7IPnfg#5797519448066817122

VI. Other Appendices

1. Uganda Course Schedule
2. Uganda Course Participant List
3. Uganda Course Report
4. Uganda Call for Analysis Proposals
5. Brazil Course Schedule
6. Brazil Course Participant List
7. Peru Course Schedule
8. Peru Course Participant List
9. Information Bottlenecks Questionnaire
10. Information Bottlenecks Results
11. ELAW Survey Cover Page
12. ELAW Survey Existing Framework
13. ELAW Survey EIA
14. ELAW Survey Policy Improvements
15. Media Training Uganda Draft Concept