



Darwin Initiative Main/Post/D+ Project Half Year Report (due 31 October 2016)

Project Ref No	21008
Project Title	Reciprocal Watershed Agreements: Conserving Bolivia's Chaco through Improved Livelihoods
Country(ies)/Territory(ies)	Bolivia
Lead Organisation	Natura Bolivia Foundation
Partner(s)	
Project Leader	Nigel Asquith
Report date and number (e.g., HYR3)	January 10th 2015, HYR3
Project website/ Twitter/ Blog/ Instagram etc	www.naturabolivia.org
Funder (DFID/Defra)	DFID

1. Outline progress over the last 6 months (April – Sept) against the agreed baseline timetable for the project (if your project has started less than 6 months ago, please report on the period since start up to end September).

Where the Andes Mountains meet the Chaco, extensive cattle grazing is one of the primary threats to the protection of the vegetative cover and the quality and quantity of downstream water. Cows enter forests, especially along riverbanks, to drink and graze, they defecate and urinate in streams, graze seedlings and compact soil. Levels of fecal coliforms in water increase, vegetation regeneration is reduced, and rainfall runs off compacted soils. This results in increased flooding and sedimentation, and dry season water flows and quality decrease.

The goal of our project is to persuade downstream water users to support alternative development projects upstream, which will allow upstream farmers to protect their forest and take their cattle out of streams. This will lead to increased upstream regeneration. With upstream forests protected, downstream areas will receive less flooding and sedimentation, and better water quality and quantity, which will in turn help improved downstream livelihoods. This will shift the local equilibrium to a virtuous cycle in which downstream users then have more resources and so more interest, in investing in upstream conservation.

Outcome: Conservation of 20,000 hectares of forest that supply water to 10,000 Bolivians, through contributions for environmental service provision to 500 poor upstream farmers

Output 1: 8 Municipal Water Conservation Funds with statutes, board gender balance

Indicator 1.1: Number of MWCF created (prior to project 2, after 8) and consolidated (prior to project 0, after 8)

Indicator 1.2: Number of women on MWCF board (prior to project 10%, after project 35%)

All planned activities related to this output have been completed, and Indicator 1.1 fulfilled 100%. We continue to advance, on an ad hoc basis with indicator 1.2, introducing the argument that more women are needed to MWCF boards, but we have no significant advances to report.

Output 2: 20,000 ha of forest conserved through contracts/municipal decrees*Indicator 2.1: Hectares conserved under RWA (prior to project 0, after project 20,000)**Indicator 2.2: Number of municipal decrees (prior to project 0, after project 3)*

We have put 12,085 hectares under conservation contracts in the first half of FY2016. Since the beginning of the project we have put more than 80,000 ha under conservation. These were standard RWA, agreed upon between landowners, Natura and the water providers and/or municipal governments. In addition, we undertook extensive negotiations and studies for the creation of a new municipal protected area in the municipality of Machareti. By early 2017 we expect a decree for the creation of a new Municipal Protected Area, tentatively named the “Heroes of the Chaco Biodiversity and Historical Protected Area”. This area will encompass a number of historically important sites from the Chaco War, but will also comprise more than 250,000 ha of forest with jaguar, other wild cats and the endangered Chacoan peccary present. 34% of this land currently belongs to indigenous groups, 25% is government land, 25% is controlled by the Bolivian military and 20% is dedicated to extensive cattle grazing. All these parties seem to be in agreement about the creation of a new protected area.

Output 3: 500 families have signed conservation contracts and received compensation*Indicator 3.1: Number of contracts signed (prior to project 0, after project 500)**Indicator 3.2: Number of families with compensation packages (prior to project 0, after 500)*

We signed 326 contracts in the first half of 2016. Since the start of the project we have signed 1085 contracts and 1085 compensation packages have been delivered. This is more than 200% of our final target. An example of a contract-signing event was in Villa Vaca Guzman municipality in July when 65 families committed to conserve 4150 ha of forest (described [here](#).)

Output 4: 10,000 downstream water users contribute to Municipal (MWCF) funds*Indicator 4.1: Number of resolutions of water providers to either charge downstream users or to use a percentage of general funds for upstream conservation (prior to project 0, after 8)**Indicator 4.2: Number of users contributing (prior to project 0, after project 10,000)**Indicator 4.3: Annual bank transfers from water providers to MWCF accounts (prior 0, after 8)*

All planned activities related to this output have been completed, and Indicators fulfilled 100%.

Output 5: 5,000 ha under improved cattle management, honey production, fruticulture*Indicator 5.1: Number of hectares under improved management (prior 0, after 5,000)*

We are measuring “hectares under improved management” in three separate ways. The most basic measure is that 80,000 ha are under private conservation agreements. An additional 103,274 ha was previously decreed as new protected areas, and we expect that by the end of the project we will create another 250,000 ha protected area.

Finally, and in order to leverage more direct livelihood improvements, we have worked with project beneficiaries to enhance their ability to more effectively use their compensation “payments” to improve their livelihoods. We are developing two general types of project—those that focus on improving water supplies, and those that improve the efficiency of agricultural production. We initiated a number of projects in the first half of FY2016 (see table below) and finalized implementation of one, in Itaqueise, in Camiri municipality, where we created a community fruit plantation that is currently benefiting 24 families.

Municipality	Projects designed	Production projects being developed	Water projects being developed	Projects implemented
Boyube	2		2	
Camiri	5	2	3	1
Machareti	2		2	

2a. Give details of any notable problems or unexpected developments/lessons learnt that the project has encountered over the last 6 months. Explain what impact these could have on the project and whether the changes will affect the budget and timetable of project activities.

No problems or unexpected developments have occurred. The project has run entirely as expected

2b. Have any of these issues been discussed with LTS International and if so, have changes been made to the original agreement?

Discussed with LTS: n/a

Formal change request submitted: n/a

Received confirmation of change acceptance n/a

3a. Do you currently expect to have any significant (e.g., more than £5,000) underspend in your budget for this year?

Yes No Estimated underspend: £

3b. If yes, then you need to consider your project budget needs carefully. Please remember that any funds agreed for this financial year are only available to the project in this financial year.

If you anticipate a significant underspend because of justifiable changes within the project please submit a rebudget Change Request as soon as possible. There is no guarantee that Defra will agree a rebudget so please ensure you have enough time to make appropriate changes if necessary.

4. Are there any other issues you wish to raise relating to the project or to Darwin's management, monitoring, or financial procedures?

No

If you were asked to provide a response to this year's annual report review with your next half year report, please attach your response to this document.

Please note: Any planned modifications to your project schedule/workplan can be discussed in this report but **should also be raised with LTS International through a Change Request.**

Please send your **completed report by email** to Eilidh Young at Darwin-Projects@ltsi.co.uk . The report should be between 2-3 pages maximum. **Please state your project reference number in the header of your email message e.g., Subject: 22-035 Darwin Half Year Report**