

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

Project Ref No	23-016
Project Title	Yerba mate – a market-driven model for conserving Paraguay's Atlantic Forest.
Country(ies)/Territory(ies)	Paraguay
Lead Organisation	BirdLife International
Partner(s)	Guyra Paraguay , Lauro Raatz S.A, Guayaki, Municipality of Alto Vera and the State Government of Itapua, Universidad Nacional de Asunción
Project Leader	Dr David Thomas
Report date and number (e.g., HYR3)	HYR1
Project website/ Twitter/ Blog/ Instagram etc	
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).

Activities from this first 6 months included:

1.1 Presentation of the approved project to the communities and local authorities: The project was presented to the Major of the Alto Verá District, Hernán Ariel Ávalos and the communities of Arroyo Moroti and Oga Ita. Institutional and community response was very positive with strong interest in planting native tree species to promote the restoration of the forest.

1.2 Production of the legal contract and placing orders with providers of yerba mate seedlings: The legal contracts for the purchase of yerba mate seedlings were elaborated in May and were signed by Miguel Aquino and Rolando Webber, two selected providers.

1.3 Training workshops (on technical aspects of tree care and management; harvesting; processing etc.) for technicians, leaders and members of the indigenous and farmer communities: Training workshops were held in May and June at both communities. The training provided crucial guidance on the norms required for organic and fair trade certifications.

1.4 Development of participatory community business and enterprise plans, with support from the private sector: The development of the draft community business and enterprise plan started on the last week of September with the orientation of Nelson Garay, Production Manager of the Company Yerba Mate Guayaki and Marcelo Arévalos, technician of Guyra Paraguay. A preliminary SWOT analysis of factors that may influence the commercialization of the product was conducted. The plan will be a short and simple document that members of the communities will be able to use as a guide for their business.

In order to ensure a product that meets the Companies' requirements a visit to verify the crops and train the farmers was organized by the technical team during the last week of September.

The technician from Guayaki, Nelson Garay (private sector) provided training on organic yerba mate, the differences between shade grown organic yerba mate and the traditional crops, benefits of shade grown organic yerba mate, economic value, and international certification.

2.1 Visits; and 2.2 Planting of 10 ha of yerba mate in the communities of Arroyo Claro and Arroyo Moroti; 40 ha in the farmer communities: Following planning visits to the communities,

18 hectares of shade grown yerba mate have been planted; 5 hectares in Arroyo Moroti and 13 hectares in Oga Ita. The project start was delayed and the weather conditions didn't allow planting of the 40ha planned. It was decided therefore to move the planting in Arroyo Claro to next year.

In **Arroyo Moroti**, preparation of 5 hectares for yerba mate planting started on 2nd May and planting started on 31st May. 5000 high quality yerba mate seedlings were planted. A second stage of planting took place between the 13th and 16th of June. The process created awareness within the community of the importance of working together for something that will have benefits in the medium term - the community recognize that the forest does not have the same benefits that their forefathers used to enjoy. In **Oga Ita** seedlings were delivered between the 7th and 8th June 2016. A total of 29,850 seedlings were distributed to 20 producers and technical assistance for planting was provided from 24th to 29th of June. The plants are being monitored in both areas.

2.4 Review and develop biodiversity monitoring protocols (building on existing) and methods for threat monitoring, and establish baselines: The Biological Monitoring Plan was developed. The plan will be based on monitoring birds, amphibians and reptiles, considering that they are good indicators of ecosystem health, and also plant species. The main purpose of monitoring is to record and measure the diversity of fauna and flora present in the plots of shade grown yerba mate, comparing the benefit that this type of plantation has for conservation. Monitoring will include:

- Comparison of bird frequencies in forests, crops and shade grown yerba mate parcels.
- Bird species richness in crops.
- Abundance and species diversity of amphibians and reptiles.
- Evaluation of the yerba mate productivity according to different variables.
- Evaluation of tree density in the yerba mate parcels.
- Identification and monitoring of threats.

The data will be collected with the help of students of the National University of Asunción.

2.6 Monitor livelihoods and wellbeing impacts, based on participatory indicators identified at household and/or community level, and against a year 1 baseline: A social monitoring plan was developed. This social monitoring plan was established with the main objective to analyze the impacts on the quality of life of beneficiaries that will be generated by this project based on indicators established at the level of households and community. At the heart of the monitoring will be the Basic Necessities Survey methodology (see <http://programs.wcs.org/DesktopModules/Bring2mind/DMX/Download.aspx?EntryId=28643&PortalId=97&DownloadMethod=attachment>). Socio-economic baseline data has also been gathered at Oga Ita thanks to the efforts of Chance Wilcox, a Peace Corps volunteer.

2.7 Monitoring of the forest cover through satellite images; monitor incidences of environmental crimes and other threats: The monitoring of the forest cover and environmental crime will be done by GIS every three months. A multi-temporal analysis will be conducted in order to detect changes or threats in the project areas. Maps will be elaborated and the percentage of the land use changes will be calculated. The source of images will be the web platform of the USGSS, product of the Landsat 5TM, 7ETM+ and 8 OLI sensors with scales of 1:8.000 to 1:30.000. Other priorities for the technical team have required moving this activity until the third quarter of the project.

4.1 Draw up an advocacy and communications plan for different audiences: A communications and advocacy plan was developed in order to promote the inclusion of organic yerba mate as a government policy. The target audience is composed of: Independent producers of la Reserva para Parque Nacional y zona de amortiguamiento, Municipalidad de Alto Vera, Gobernación de Itapúa, Instituto Nacional Forestal, Instituto Paraguayo del Indígena, Secretaría del Ambiente and Ministerio de Agricultura y Ganadería.

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.

The exchange visit to the Aché of Kue Tuvy Community was planned for the last week of July 2016 but due to the occurrence of a big fire at the drying platform of the Aché community, the

visit had to be cancelled. This visit is now planned for the first week of November. Technical team and the leaders of Oga Itá and Arroyo Moroti will visit the community and spend three days with them in order to get to know their job, learn about their experience and participate in the harvest process.

The planting schedule had to be revised, due to the late notification of the award and the weather conditions. Of the 40 hectares planned only 18 hectares has been planted, but the next 20 hectares will be planted during the next year to achieve the 50 hectares aim of the project.

The meetings with government authorities to promote the farming of shade grown yerba mate as a market-based approach supporting the conservation of Atlantic Forest biodiversity started in Itapua, but until now it hasn't been possible to organize more meetings. The technical team will continue to push this agenda.

Project manager Dr Cath Tayleur will be on maternity leave from October 2016 for approximately 11 months. This has been discussed with LTS and suitable arrangements for project management have been found. Project Leader David Thomas will go on secondment from BirdLife for 18 months from November. Dr. Nonie Coulthard has been proposed as a replacement.

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:	Yes
Formal change request submitted:	Yes & Yes
Received confirmation of change acceptance	Yes (CT) & No (DT)

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**