U.S. Agency for International Development Report to Congress on Programs in Forestry and the Conservation of Biodiversity During Fiscal Year 2022: Results and Funding

1) Introduction

USAID submits this report pursuant to requirements of Sections 118(f) and 119(h) of Part I of Public Law 87-195, the Foreign Assistance Act of 1961, as amended, on programming to conserve biodiversity and manage forests during Fiscal Year (FY) 2022.

Biodiversity is fundamental to human well-being. The health of our planet's ecosystems is foundational to human health, security, and the global economy. Yet, an estimated one million plant and animal species face extinction as habitat loss and over-exploitation threaten the viability and resilience of vital terrestrial, freshwater, and marine ecosystems. Fragile and weakening ecosystems pose severe risks to development progress.

USAID's biodiversity conservation work and integrated approach are more critical now than ever. By conserving biodiversity, we enhance ecosystem resilience needed for achieving long-term environmental stability and human well-being.

In FY 2022, through support from Congress and guided by the Agency's Biodiversity Policy, USAID worked in more than 60 countries to conserve biodiversity, fight nature crime, and support sustainable fisheries. The Agency's programming is conserving critical ecosystems, and addressing the illegal harvest and overexploitation of biodiversity. By investing in priority biodiversity areas, USAID helps vulnerable people secure better health and well-being while managing and conserving their natural wealth. USAID is working at all levels of government, with local communities and Indigenous Peoples, and with the private sector, to increase the resilience of all those who depend on biodiversity and healthy ecosystems for food, jobs, and security.

2) Funding Overview

Table 1 presents a summary of USAID's FY 2022 funding for biodiversity, combating wildlife trafficking, and forestry activities, by key areas of work and region. USAID uses evidence to identify and target biodiversity programming to help achieve conservation outcomes in biologically significant areas.

USAID helps to conserve biodiversity in priority countries and regions designated as "Tier One" in USAID's Biodiversity Policy, which outlines how biodiversity priorities are integrated with other development objectives. In FY 2022, USAID provided \$383.04 million to international biodiversity programs, funding activities in more than 60 countries. USAID allocated approximately 52 percent of these funds to 13 Tier One countries and regions, including Philippines, Brazil, and the Central African Regional Program for the Environment.

USAID invested \$78.39 million in FY 2022 funds to combat wildlife trafficking to support the prevention or reduction of poaching and illegal trade in animals—including illegal fishing—of terrestrial, freshwater, and marine species. USAID invested \$47.55 million in great ape conservation, including support for critical habitat for gorillas, chimpanzees, and orangutans. USAID also promoted the conservation and sustainable management of forests. In FY 2022, USAID's forestry investments totaled \$330.66 million in more than 50 countries, with \$327.16 million focused on tropical forests.

3) Protected Areas and People

Protected areas are critical anchors in conserving biodiversity and sustainable rural development by providing regional stability, food security, and economic growth opportunity. USAID supports the development and effective management of protected areas including community conserved areas, and promotes the security, health, and prosperity of local communities and Indigenous Peoples who live in and around these areas and manage the natural resources.

Working with communities living in and near protected areas is critical to the conservation of biodiversity within their borders. In one of Central America's largest protected areas, the Maya Biosphere Reserve in Guatemala's northern department of Petén, USAID is building on 30 years of work to support 11 community forest concessions. Under this management system, local community associations hold exclusive rights to sustainably manage the land, allowing them to harvest, process, and sell forest products on domestic and international markets, while ensuring the long-term health of the forest. The community forest concessions consistently outperform strict protected areas in the reserve, with near-zero rates of deforestation, in addition to generating nearly 30,000 full-time jobs and more than \$18 million in sales of timber and non-timber forest products. As a result of USAID's decades of assistance to the reserve, including training for agroforestry management and forest patrols, more than 258,000 hectares of these concessions were successfully renewed for another 25-year term.

In the Republic of the Congo, USAID support for training and supplies in Nouabale-Ndoki National Park helped rangers patrol 41 percent of the park, twice as much area as the previous year. Rangers walked more than 28,000 miles and seized nearly 3,900 snares and 6,000 pounds of bushmeat.

Protected areas are vitally important to the Indigenous People who have lived in and stewarded these ecosystems for millennia. USAID works with Indigenous Peoples to ensure that they, along with local communities that live in biodiverse areas, benefit from conservation programming. For example, in Colombia, USAID strengthened the capacity of 18 Indigenous communities to better manage 200,000 hectares of forest—an area over half the size of Rhode Island—and trained 690 Indigenous People in natural resource management aligned with their traditional practices.

USAID recognizes that gender equality and women's empowerment are critical levers for change. In the Philippines, USAID supported the establishment of more than 1,000 hectares (almost four square miles) of mangroves and seagrass beds where women, especially Indigenous women, have priority access to fish and harvest oysters.

4) Spotlight on Nature Crime

Illegal harvesting of trees, wildlife, and fish undermines the wealth and security of governments and the local communities who depend on these resources. USAID partners with governments, communities, and civil society to combat wildlife trafficking, which erodes long-term investment in wildlife-compatible livelihoods such as ecotourism, and reduces the safety and security of rural communities. The Agency's approach to combating nature crime and corruption is responsive to the constantly changing threats of poaching and wildlife trafficking, and it strengthens law enforcement from parks to ports, reduces consumer demand for illegal wildlife products, and builds international cooperation.

Successful prosecution is a key deterrent to preventing wildlife crime. In Mozambique, a team of USAID-supported legal experts trained park rangers and district prosecutors in collecting evidence and building cases. As a result, 95 percent of initiated cases reached court, a record, and the conviction rate increased from less than 50 percent three years ago to 85 percent in 2022.

Across Latin America and the Caribbean, USAID implements a comprehensive approach to combat nature crime, including wildlife trafficking and illegal fishing, logging, and mining. In the Eastern Caribbean, USAID and the U.S. Fish & Wildlife Service are working with local and national governments to expand wildlife crime surveillance and reduce illegal trade of endangered reptiles. With USAID support, the Government of Peru has been engaged in the South American Wildlife Enforcement Network and accepted an invitation to be its first Chair and Coordinator, which will encourage enhanced information sharing on cases of transnational organized crime networks linked to wildlife trafficking. In FY 2022, USAID helped INTERPOL identify a criminal network of 48 companies in nine countries and 30 individuals in key positions at those companies exporting illegal timber from Latin America to Asia and Europe.

In Asia, USAID's demand reduction campaigns verified a reduced stated intent to buy illegal wildlife products and increased social stigma associated with wildlife use. In Thailand, between 2020 and 2021, the intent to buy by those who had seen USAID's demand reduction campaigns dropped from 33 to 25 percent. Survey results show that targeted and evidence-based demand reduction campaigns are a high-impact and cost-effective mechanism to reduce illegal wildlife demand.

5) Program Integration

USAID is actively integrating environment, agriculture, and health programming to contribute to a future in which thriving biodiversity supports human well-being. Integration also creates opportunities for private-sector partnerships that leverage additional resources and scale impact, including by working with companies that depend on well-managed natural resources in developing countries for stable and sustainable supply chains.

A prime example of this is USAID's <u>Health</u>, <u>Ecosystems and Agriculture for Resilient</u>, <u>Thriving Societies (HEARTH)</u> group of private-sector partnerships. HEARTH supported 17 activities in FY 2022 and expects to leverage more than \$90 million in private sector funds over five years. Through HEARTH, USAID launched the Gorilla Coffee Alliance activity in 2021 to develop a robust and inclusive coffee sector in South Kivu, Democratic Republic of Congo in partnership with Nespresso, Olam, and the Wildlife Conservation Society. In its first year of operation, the Alliance produced over 1 million coffee seedlings, distributed 431,000 seedlings to 1,500 farmers, and trained nearly 5,000 farmers (nearly half of whom are women) in regenerative agriculture practices.

Partnerships with the private sector amplify development initiatives and allow USAID to more effectively achieve shared goals for a healthier and more prosperous world. In the highly biodiverse Amazon region, USAID's engagement with the private sector supported the formation of 113 partnerships, leveraged \$16.9 million, and promoted 21 new models or best practices in partnership with local companies as well as multinational firms like Ambev, Alcoa, and Hydro.

In a growing number of areas, USAID is taking a collaborative "One Health" approach across sectors to sustainably address the health of people, animals, and ecosystems. In Central Africa and Vietnam, USAID biodiversity programs are working to reduce consumer demand for

wildlife products while supporting improved regulations to reduce the risk of zoonotic disease spillover associated with illegal and ill-managed wildlife trade.

USAID is also forming partnerships to support sustainable fisheries, which are a critical food source globally and under threat from illegal, unreported, and unregulated fishing. By the end of FY 2022, the USAID-supported Seafood Alliance for Legality and Traceability (SALT) community had grown to more than 1,800 stakeholders from non-governmental organizations (NGOs), industry, and government, including experts from 89 countries and nearly 900 organizations. SALT's collaboratively developed Comprehensive Traceability Principles and associated Pathway—which address economic, ecological, and social goals—were translated into five languages and had more than 1,800 website visits.

6) Regional Overview

a) Africa

USAID partners with African governments to support improved natural resource and wildlife management while strengthening policies and working closely with civil society and local communities to conserve unique and globally important biodiversity.

For more than 25 years, USAID has invested in conservation of the Congo Basin, which is home to nearly 80 million people representing 150 distinct cultural groups; contains the world's second largest contiguous rainforest and carbon reserve; and is home to a rich array of wildlife, including four species of great apes and forest elephants. USAID partners with communities, governments, and the private sector to create economies that reduce pressure on wildlife and forests, with well-managed national parks acting as anchors of security and magnets for investment. Recent USAID partnerships are creating tens of thousands of jobs to produce conservation-compatible coffee and cocoa, address unsustainable gold mining, create livelihoods based on chicken production instead of bushmeat, involve Indigenous Peoples in protected area management, and empower local communities with land and forest management rights.

In Central Africa, USAID supported direct management improvements of more than 3.5 million hectares of biologically important forests—an area larger than Maryland. USAID trained nearly 6,000 individuals, including 3,000 women, in forest conservation and sustainable agricultural practices.

In Zambia, USAID expanded community efforts to combat poaching in four additional game management areas that buffer the eastern boundary of the Kafue National Park, Africa's second-largest. With this support, law enforcement efforts were extended to cover more than 2 million hectares in FY 2022 from an initial 697,000 hectares covered in FY 2021.

In Kenya, the USAID-supported Sera Rhino Sanctuary, the first community-run and -managed rhino sanctuary in East Africa, had no rhino poaching for a second year in a row, and their rhino population has increased from 10 to 20 animals.

In West Africa, the critically endangered West African Chimpanzee populations have been decimated by poaching and trafficking. USAID is working with primate specialists from Liberia, Sierra Leone, Guinea, Côte d'Ivoire, and Senegal, as well as representatives from the mining and timber industries, to reduce illegal hunting, and to reduce the destruction of chimpanzee habitat by developing a working prototype of the Google Earth Engine tool to monitor deforestation and changes in forest cover in transboundary forest landscapes. In Tanzania, USAID is protecting the

integrity and connectivity of the forest landscape habitat that shelters 90 percent of the country's estimated 2,200 chimpanzees. The activity supported more than 200 village and district patrols, and overall improved the biophysical condition of nearly 800,000 hectares of biologically significant areas.

Marine life in Africa also faces threats from illegal, unreported, and unregulated fishing. In Madagascar, USAID supported the drafting of management plans for nine new locally managed marine areas. The creation and formalization of these areas will be part of a network of 58 locally managed marine areas around the MaMaBay area in northeastern Madagascar, empowering fishers' associations to enforce local fisheries regulations while conserving local marine resources and improving livelihoods.

b) Asia

Rapid economic growth in Asia has led to dramatic increases in the use of natural resources and unprecedented damage to the region's diverse ecosystems. Across the region, USAID is working with governments, the private sector, and local communities to promote sustainable fisheries and conserve, manage, and restore forests.

Indonesia is the world's second largest seafood producer, and the country's fishing industry employs more than 7 million people. USAID helped transform a data-poor fishery covering 28.5 million hectares—an area larger than the state of Nevada—into one of Indonesia's best documented fisheries by supporting the development of evidence-based harvest strategies and introducing an at-sea data collection program to accurately record catch species and size. With automated species identification and improved data verification, Indonesia fishers documented their catch from more than 27,000 landing sites and included 100 species.

In Vietnam, USAID signed 18 partnership agreements with seven companies and 11 cooperatives to develop value chains for products such as cinnamon, coffee, and medicinal plants, leading to the improved management of nearly 18,000 hectares of natural forests—an area larger than the size of Washington, D.C.

In Cambodia, USAID reduced the deforestation rate on 281,000 hectares—more than half the size of Rhode Island—in the Keo Seima Wildlife Sanctuary, improving the habitat for endangered species like the yellow-cheeked gibbon. In addition, USAID assistance generated \$15.7 million from the sale of carbon credits that will support community economic and social development priorities for the 2,500 households in the sanctuary and support its management and operations.

c) Latin America and the Caribbean

In Latin America and the Caribbean, USAID works with partner governments, Indigenous Peoples and local communities, and the private sector to reduce habitat loss, degradation, and over exploitation of marine and forest species. By improving environmental governance, creating jobs, and empowering youth, USAID's biodiversity programming contributes to more secure and stable local communities throughout the region.

Fishing is a critical source of income and food for coastal communities in this region, which, when done unsustainably, places huge pressure on marine resources that is compounded by a lack of alternative livelihoods. For the third consecutive year in El Salvador, Honduras, and Guatemala, USAID supported the development, socialization, and approval process of the 2022 fishing season regulations to reduce some of this pressure, including setting limits on season

duration, fish size, and sex. The same project also improved the management of close to 168,000 hectares—over half the size of Yellowstone National Park—of biologically significant areas.

USAID's work in biodiversity conservation is leading to tangible benefits for communities. Through the Amazon Indigenous Rights and Resources activity, USAID worked with the World Wildlife Fund to lead a consortium of 13 Indigenous organizations and local NGOs in Brazil, Colombia, Ecuador, Peru, Guyana and Suriname, supporting 29 Indigenous enterprises to develop ecotourism, handcrafts, textiles, non-timber forest products, and agricultural plots that support biodiversity conservation. In Brazil, the Indigenous Paumari People in Amazonas State first received USAID support in 2009 to help ensure survival of the critically endangered pirarucu fish, an environmentally, culturally, and economically important fish species throughout the Amazon. Since then, the fish population has soared in three areas along the Tapauá River—from 250 in 2009 to more than 11,160 in August 2022, providing a valuable source of food and income for those who live there.

Table 1: USAID's FY 2022 funding for Biodiversity, Forestry, and Combating Wildlife Trafficking Activities

Operating Unit (OU) of the U.S. Agency for International Development (USAID)	Investments in Biodiversity, during Fiscal Year (FY) 2022, in US\$1	Investments in Forests & Forestry, during FY 2022 ¹	Investments in Combating Wildlife Trafficking, during FY 2022, in US\$1
USAID and State/OES/ECW ²	\$385,038,750	\$332,662,792	_
Total Funding for all USAID's OUs	\$383,038,750	\$330,662,792	\$78,394,591
of which, Total USAID Funding in Tropical Countries ³	\$372,538,750	\$327,162,792	\$76,894,591
Total Funding in Countries and Regions Designated as "Tier One" Under <u>USAID's</u> <u>Biodiversity Policy</u> (highlighted blue) ⁴	\$198,521,000	\$198,383,537	\$46,196,591
Transfers to U.S. Government Partner Agencies ⁵	\$25,150,000	\$12,957,879	\$4,300,000
Sub-Saharan Africa			
USAID Africa Regional	\$2,971,000	\$1,525,000	\$400,000
USAID Central Africa Regional	\$43,000,000	\$52,300,000	\$12,500,000
of which directed to U.S. Fish and Wildlife Service (U.S. Department of the Interior) for conservation of great apes	\$5,500,000	\$5,500,000	\$800,000
East Africa Regional	\$7,044,000	\$400,000	\$2,000,000

Southern Africa Regional	\$10,341,000	\$3,750,000	\$4,500,000
West Africa Regional	\$9,591,000	\$12,477,698	\$2,100,000
Republic of Ethiopia	\$1,548,000	\$0	\$0
Republic of Ghana	\$3,447,000	\$0	\$0
Republic of Kenya	\$9,291,000	\$930,000	\$4,500,000
Republic of Liberia	\$7,000,000	\$6,485,000	\$1,500,000
Republic of Madagascar	\$8,683,000	\$3,485,000	\$1,445,000
Republic of Malawi	\$3,500,000	\$600,000	\$500,000
Republic of Mozambique	\$9,000,000	\$5,097,500	\$2,700,000
Republic of Rwanda	\$1,748,000	\$1,500,000	\$0
Republic of Senegal	\$3,000,000	\$96,160	\$0
United Republic of Tanzania	\$11,400,000	\$4,391,205	\$3,000,000
Republic of Uganda	\$5,494,000	\$1,950,000	\$700,000
Republic of Zambia	\$4,500,000	\$3,229,625	\$850,000
Republic of Zimbabwe	\$1,200,000	\$0	\$0
Sub-Saharan Africa Total	\$142,758,000	\$98,217,188	\$36,695,000
USAID Asia			
Asia Regional	\$2,700,000	\$2,380,277	\$500,000
Pacific Islands Regional	\$5,000,000	\$6,644,355	\$150,000
Regional Development Mission for Asia	\$12,450,000	\$5,940,000	\$6,302,000
People's Republic of Bangladesh	\$10,500,000	\$5,830,000	\$1,800,000

Kingdom of Cambodia	\$7,000,000	\$9,309,594	\$2,000,000
Republic of India	\$5,000,000	\$7,250,000	\$0
Republic of Indonesia	\$15,397,000	\$13,450,000	\$3,500,000
Republic of Maldives	\$0	\$0	\$0
Democratic Federal Republic of Nepal	\$10,500,000	\$3,500,000	\$1,500,000
Independent State of Papua New Guinea	\$4,000,000	\$4,000,000	\$0
Republic of the Philippines	\$15,700,000	\$10,439,843	\$2,500,000
Democratic Socialist Republic of Sri Lanka	\$0	\$0	\$0
Republic of Tajikistan	\$0	\$0	\$0
Democratic Republic of Timor Leste	\$1,000,000	\$0	\$0
Socialist Republic of Vietnam	\$10,350,000	\$8,176,529	\$3,500,000
USAID Asia Total	\$99,597,000	\$76,920,598	\$21,752,000
USAID Latin America a	and the Caribbean (LAC)		
LAC Regional	\$747,000	\$513,667	\$0
South America Regional	\$11,000,000	\$10,852,409	\$4,499,591
Caribbean Development Program	\$7,248,000	\$2,500,000	\$1,748,000
Central America Regional	\$5,000,000	\$1,650,000	\$0
Federative Republic of Brazil	\$20,000,000	\$25,000,000	\$3,450,000
Republic of Colombia	\$24,950,000	\$43,160,000	

Republic of Ecuador	\$7,000,000	\$6,005,000	\$500,000
Republic of Guatemala	\$8,000,000	\$7,480,000	\$1,200,000
USAID Funding	\$5,500,000	\$7,480,000	\$1,200,000
of which directed to U.S. Department of the Interior	\$2,500,000	\$0	\$0
Republic of Haiti	\$0	\$3,740,000	\$0
Republic of Honduras	\$4,000,000	\$1,750,000	\$250,000
United Mexican States	\$0	\$13,987,500	\$0
Republic of Paraguay	\$0	\$0	\$0
Republic of Peru	\$12,300,000	\$16,258,551	\$1,000,000
USAID Latin America and the Caribbean (LAC) Total	\$100,245,000	\$132,897,127	\$12,647,591
USAID Central Bureaus			
Bureau for Resilience and Food Security	\$0	\$0	\$0
Office of Food for Peace	\$0	\$0	\$0
Bureau for Development, Democracy and Innovation **	\$40,438,750	\$22,627,879	\$7,300,000
USAID Funding	\$23,288,750	\$15,170,001	\$3,800,000
of which directed to U.S. Fish and Wildlife Service	\$9,500,000	\$3,000,000	\$3,500,000
of which directed to U.S. Forest Service	\$7,500,000	\$4,457,879	\$0

(U.S. Department of Agriculture)			
of which directed to the National Oceanic and Atmospheric Administration	\$150,000	\$0	\$0
USAID Central Bureaus Total	\$40,438,750	\$22,627,879	\$7,300,000
U.S. Department of State**			
Bureau of Oceans and International Environmental and Scientific Affairs/Office of Conservation and Water (OES/ECW)	\$2,000,000	\$2,000,000	\$0
U.S. Department of State Total	\$2,000,000	\$2,000,000	\$0

Funding Table Notes

- ¹ Data is representative of available information as of August 22, 2023. FY 2022 data is subject to change as spending is finalized.
- ² 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.
- 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 and USAID/Tajikistan.
- ⁴ Operating Units focused on countries or regions designated as "Tier One," or high priority under USAID's Biodiversity Policy, are shaded blue.
- ⁵ The FY22 Appropriations Act directs USAID to transfer environment funds to specific agencies, noted as "of which..." in the table.
- * Environmental Defenders funds advancing biodiversity objectives contribute to this total

** 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.