



AMAZONIA CONNECT

Semi-Annual Report

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ABBREVIATIONS AND ACRONYMS

AC	Amazonia Connect
ACRIMAT	Breeders Association of Mato Grosso
AFOLU	Agriculture, Forestry, and Other Land Use
AO	Agreement Officer
AOR	Agreement Officer Representative
API	Application Programming Interface
APPCACAO	Peruvian Association of Cocoa Producers
APROMAN	Monte Alegre de Neshuya Growers Association
APROSOJA	Brazilian Association of Soybean Growers
ARA	Regional Environmental Authority
ART/TREES	Architecture for REDD+ Transactions/ The REDD+ Environmental Excellence Standard
ASOBANCARIA	The Banking and Financial Institutions Association of Colombia
ASPASH	Palm Oil Farmers Association of Shambillo
BASA	Banco da Amazônia S.A.
BC	Business Case
BEF	Bezos Earth Fund
CAR	Rural Environmental Registry
CBD	Convention on Biological Diversity
CFT	Cool Farm Tool
CIAT	The International Center for Tropical Agriculture
CO	Contracting Officer
COCEPU	Central Committee of Palm Growers
COFIDE	Development Finance Corporation (<i>Corporación Financiera de Desarrollo S.A.</i>)
COCAFICA	Caquetá Coffee Growers Cooperative
COP	Chief of Party
COP30	UNFCCC 30th Conference of the Parties
COR	Contracting Officer Representative

CSA	Climate Smart Agriculture
CSP	Coalition for Sustainable Production
CUSAF	Cessions in Use for Agroforestry Systems
DCOP	Deputy Chief of Party
DEVIDA	National Commission for Development and Life without Drugs
DFP	Deforestation-free Production
DO	Development Objective
EII	Earth Innovation Institute
EMMP	Environmental Mitigation and Monitoring Plan
EMMR	Environmental Mitigation and Monitoring Report
ERPA	Emissions Reduction Payment Agreement
ESAP	Superior School of Public Administration
EU	European Union
EUDR	European Union's Deforestation Regulation
FAEPA	Federation of Agriculture and Livestock of Pará
FAMATO	Federation of Agriculture and Livestock of the State of Mato Grosso
FE	Finance for Equity
FINAGRO	Banking and Financial Institutions Association of Colombia
FONDESAM	Amazon Regional Development Funds
FSLA	Fundación Solidaridad Latinoamericana
GALS	Gender Action Learning Systems
GESI	Gender Equality and Social Inclusion
GFW	Global Forest Watch
GFWP	Global Forest Watch Pro
GHG	Greenhouse Gas
GIS	Geographic Information System
GTA	Cattle Transit Records
GTFI	Brazilian Indirect Suppliers' Working Group

HCS	High Carbon Storage
HCV	High Conservation Value
IDEAM	Colombian Institute of Hydrology, Meteorology and Environmental Studies
IMAC	Mato Grosso Meat Institute
INCRA	National Institute of Colonization and Agrarian Reform
INDOLMASA	Industrias Oleaginosas Monte Alegre S.A.
IPCI	Produce, Conserve, Include Institute
IPCP	Indigenous Peoples Communication Plan
ITA	Inclusive Technical Assistance
J-REDD+	Jurisdictional REDD+
JUNPALMA	National Oil Palm Board (Junta Nacional de Palma Aceitera)
LCA	Low Carbon Agriculture
LED-R	Low Emissions Rural Development
M&I	Monitoring and Information Group
MBPS	Brazilian Sustainable Livestock Roundtable
MEL	Monitoring, Evaluation and Learning
MIDAGRI	Ministry of Agrarian Development and Irrigation
MoU	Memorandum of Understanding
MPF	Federal Public Prosecutors Service
MRV	Measurement, Reporting and Verification
NDPE	No Deforestation, No Peat, No Exploitation
NGO	Non-Governmental Organization
NWF	National Wildlife Federation
OLAMSA	Oleaginosas Amazónicas S.A.
OLPASA	Oleaginosas Padre Abad
PES	Payment for Environmental Services
PoC	Point of Contact
PPA	Agricultural Producers Register (<i>Padron de Productores Agrarios</i>)

PRS	Pause and Reflect Session
REDD+	Reducing Emissions from Deforestation and Forest Degradation as well as the sustainable management of forests, and the conservation and enhancement of forest carbon stocks
RSPO	Roundtable on Sustainable Palm Oil
SAA	Sustainable Agriculture Activity
SAR	South America Regional Program
SEDEC	Mato Grosso's State Secretariat for Economic Development
SEMA	Secretary of Environment
SEDAP	Agriculture Agency of Pará
SNI	Sociedad Nacional de Industrias
TAC	Terms of Adjustment of Conduct
TFA	Tropical Forest Alliance
TOC	Theory of Change
USAID	United States Agency for International Development
UNFCCC	United Nations Framework Convention on Climate Change
USG	Government of the United States of America
UW	University of Wisconsin-Madison
WRI	World Resources Institute
ZDA	Zero Deforestation Agreement

1. Executive summary¹

Amazonia Connect, a partnership between the United States Agency for International Development (USAID), Solidaridad, the Earth Innovation Institute (EII), the National Wildlife Federation (NWF), and the University of Wisconsin-Madison (UW), aims to promote and scale the adoption of low-carbon agriculture (LCA) and deforestation-free commodity production (DFP) to improve biodiversity conservation and support climate action in Brazil, Colombia, and Peru. The Program focuses on coffee, cattle, and oil palm in regions with high levels of commodity-driven deforestation, greenhouse gas (GHG) emissions, and biodiversity. This report details the progress of Amazonia Connect during the first half of the second year of the Program, covering the period from October 1, 2023, to March 31, 2024.

ACTIVITY IMPLEMENTATION PROGRESS²

Development Objective (DO) 1. LCA/ DFP and sourcing models scaled in key Amazon jurisdictions

Pathway 1.1 focuses on scaling the implementation of LCA. Solidaridad continues to build on the advances of Year 1, where the team conducted key baseline analyses and set the foundation for scaling and building trust-based relationships with farmers, private sector partners, governmental authorities, among other stakeholders. During this reporting period, the team focused on reaching out and training additional producers, and increasing the adoption of LCA practices across all commodities and countries within the framework of Amazonia Connect. So far, the team has trained 2,262 persons on LCA (28% women).³

Pathway 1.2 supports companies in implementing LCA and DFP sourcing and production guidelines. Since the Program's inception, the consortium team has worked closely with private sector partners to gain insight into their operations, current policies and strategies, and overall aspirations for sustainable sourcing. In Colombia, the team provides targeted technical assistance to support farmers who wish to undergo assessment and attain internal certification under Nestlé's [Regenerative Agriculture Reference Framework](#). So far, the team supported 7 producers (1 woman) who received a monetary incentive for achieving this certification.⁴ In Peru, the oil palm team works closely with Alicorp which initiated a homologation process for mills to ensure compliance with their sustainability policy. Alicorp plans to address identified gaps to achieve full policy compliance, and Solidaridad provides ongoing technical support. Due to reasons beyond the Program's control, the coffee teams in Peru and Colombia have had to adaptively manage the departure of private sector partners that occurred near the end of Year 1. The last months have focused on outreach with private sector partners, and both teams are forging new partnerships. Both countries expect formal cooperation agreements to be formalized in the coming months.

Pathway 1.3 supports jurisdictional actors in Colombia and Peru to incorporate LCA and DFP models and principles within their jurisdiction through low-emission rural development (LED-R) strategies. EII made significant advances in Peru to develop and validate LED-R strategies at the municipal level to support and implement the regional strategy. In Moyobamba, the municipal LED-R strategy was developed and approved, and strategies were also completed for Rioja and Neshuya. In partnership with the government and local stakeholders, strategies are also being drafted for Campo Verde and Padre Abad. In Colombia, despite the turnover of officials due to regional elections in 2023, progress was made in implementing the LED-R Strategy in Caquetá; the team supported the facilitation of strategic planning meetings, conducted capacity-building efforts with key authorities and institutions (e.g. Secretariat of Agriculture and Environment in Caquetá, and the new lead of the Caquetá's Climate Change Subnode), and designed training courses for the formulation of sustainable projects for low-emission development to enable the newly elected/appointed government officials in Caquetá to learn about the Departmental LED-R strategy and incorporate its objectives within the pluriannual development plan under the new administration.. Other advances included the updating of the online platform *Caqueta Sustentable*, in consultation with government partners to communicate the main actors, purpose, and goals of Caqueta's LED-R strategy. In Meta, the team collaborated with the Environment and Agriculture Secretariats to develop a roadmap outlining the process and key milestones for the development of the LED-R strategy, which will serve as a key orientation document for stakeholders in the Department.

DO 2. Full supply chain monitoring systems adopted by companies for deforestation-free sourcing and biodiversity

¹ This executive summary will be translated into Spanish and Portuguese after the English version has been approved by USAID.

² Note: Only one indicator is reported on a semi-annual basis, which is the indicator GNDR-2 "Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources". Other indicators are reported either annually or at years 3 and 5. For more detailed information on the indicators and their reporting frequency, please refer to the [MEL Plan](#).

³ This corresponds to the indicator GNDR-2. Official indicator trackers have had the row for GNDR-2 updated, including [this file](#) comprising the aggregated and Colombia-specific google sheet, and [this file](#) that presents the disaggregated results. In Year 1, the team reached 991 persons.

⁴ The team aims to support a total of 30 producers in Year 2, with most of the progress anticipated in the second half of the year.

conservation

Pathway 2.1 involves improving and adapting supply chain monitoring tools, such as Visipec and Visiprast, and in some instances applying these tools to new commodities and countries. In Brazil, NWF, together with UW, develops and maintains the Visipec tool and all of the required data, including newly added data about biodiversity, and an Application Programming Interface (API) to seamlessly integrate the tool into the software systems that meatpackers' use. One of the key input datasets for Visipec is the Animal Transit Guide (GTA), which registers the movements of animals from one property to another or from a property to a slaughterhouse. Technical issues with the state sanitation agency have limited public access to the GTA in Pará since November 2023. Despite this, the team is still able to use Visipec for procurement, because the data in the system allows for the months of time cattle typically spend between sale from an indirect supplier and slaughter. In Brazil, most key actors are now aligned around the need for traceability in the sector, however technical issues and politics around data transparency are the biggest challenges. NWF, UW and other entities advocating for GTA transparency are pursuing various strategies to restore public access to the data. In Colombia, NWF, UW and Ecosocial improved land cover change analysis and enhanced Visiprast by integrating new forest cover data and improving traceability modules. The team also participated in the newly established Traceability Roundtable led by the Ministry of Agriculture and Rural Development. This initiative aims to garner expertise on traceability, evaluate existing data systems, including the Ganabosques tool, and explore opportunities for interoperability with tools such as Visiprast, potentially allowing data exchange between the two platforms.⁵ Finally, with the support of Tropical Forest Alliance, the umbrella organization of the Zero Deforestation Agreements (ZDAs), the team engaged with the Global Forest Watch team in Colombia to further investigate how to enhance interoperability between both platforms, such as connecting GFW early alerts to Visiprast. This work overall serves to address the major challenge in Colombia, which is a need for increased coordination among stakeholders in DFP systems. In Peru, the major needs are related to basic data collection. The team gathered crucial data on forests, forest loss, property boundaries and ownership. The team is also working to acquire and compare data on carbon stocks, including a peat soils layer. Two novel criteria were added to Visiprast to assess eligibility of producers' products for the Roundtable for Sustainable Palm Oil standards and the European Union Deforestation Regulation (EUDR) requirements.

Pathway 2.2 emphasizes companies' use of monitoring tools in their supply chains, prioritizing high biodiversity areas. In Brazil, the team was approached by a new medium-sized meatpacker present in a high biodiversity region of Pará state in the north, which offers an opportunity to expand Visipec's geographic reach. Due to poor audit results, the meatpacker was concerned about how to comply with the Terms of Adjustment of Conduct (TAC) agreement, and thus sought the team's help to implement DFP sourcing. The team drafted a memorandum of understanding (MoU) to begin a formal agreement with them, which they hope will be signed in the coming months. The team is also in contact with Mafrinorte and visited their slaughterhouse in November, although a MoU has not been signed. Frigol and Masterboi, both medium-sized meatpackers, are now using the newly launched Visipec dashboard to visualize their compliance with the Brazilian Indirect Suppliers' Working Group (GTFI) Good Practices. The new Febraban rules, released in May 2023 and aligned with the GTFI Good Practices, require all meatpackers to monitor their direct and indirect suppliers and thereby also create pressure on smaller meatpackers to show progress in assessing their suppliers for deforestation, and the Visipec dashboard is a key tool to achieve this. In Colombia, the team is working with two additional companies to pilot Visiprast: Lacteos La Maporita S.A. in Caquetá, and La Catira Industria Láctea in Meta. Both these companies are signatories to the dairy ZDA. The team also is continuing to define pilots with Alkosto and Takami, who were engaged starting in Year 1. The team will likely finalize the structure of the pilot with Alkosto in the next reporting period. Regarding Takami, their team has adjusted their priorities, expressing interest in piloting Visiprast nationally, but they want to do initial data collection with producers in departments that are outside the Program's initial scope. While the team will continue discussions, data collection within the departments in the Program area is on a longer timeline for the company. In Peru, the team initiated a pilot with Alicorp and three of their mills in Ucayali. In March, the team held a series of in-person meetings with each mill to explain the Visiprast tool and how to use it, and to set out a work plan with each mill moving forward, including how to obtain more polygons of suppliers' properties and support each mill to use the traceability tool to assess the DFP status of their suppliers, as well as other data that is useful for their work, such as the quantity they purchase from each supplier.

Pathway 2.3 promotes traceability and monitoring of supply chains in different forums, encouraging more companies and stakeholders to take up these tools and transition towards deforestation-free supply chains. In Brazil, NWF is actively involved in organizing GTFI meetings. The team has contacted meatpackers and other cattle value chain actors about joining the GTFI. NWF has presented the work of the GTFI in a number of the Brazilian Sustainable Livestock Roundtable meetings, and so far, one new company joined the GTFI as a result of this outreach. In Colombia, the team made progress

⁵ While this Roundtable holds significant potential for establishing national traceability and monitoring in the cattle sector and is an opportunity to provide valuable feedback on the scope of that effort, it is currently suspended due to personnel changes within the Ministry.

disseminating and implementing monitoring and traceability tools within multi-stakeholder platforms, particularly within the context of the ZDAs. The team has led discussions with the Beef and Dairy Secretariats of the ZDAs to understand the needs and challenges of participating companies and promote the use of Visiprast. Additionally, Ecosocial assumed leadership of the Monitoring and Information Group of the Dairy and Beef agreements, presenting plans to implement monitoring and Measurement, Reporting, and Verification (MRV) pilots with signatory companies using Visiprast. Ecosocial has also supported the Ministry of Agriculture in establishing a technical traceability group, aligning with ZDAs while addressing specific government needs and involving stakeholders outside the agreements. These are significant efforts in enhancing traceability and monitoring in Colombia's beef and dairy sectors. In Peru, efforts are more nascent, with the first piloting of Visiprast through Amazonia Connect; nonetheless, the team held a meeting with the Ministry of Agrarian Development and Irrigation (MIDAGRI) to explore synergies with the Agricultural Producers Register and Visiprast. MIDAGRI is interested in the Visiprast traceability module, and the team aims to continue conversations and ensure alignment and potential interoperability between both platforms.

DO 3. Finance and incentives unlocked to accelerate LCA and Deforestation-Free Production

Pathway 3.1 helps mobilize a variety of public and private investments and other incentives to scale LCA. The States of Mato Grosso and Pará are making progress towards J-REDD+ transactions to fund forest-friendly, low-carbon development, with substantial momentum and political pressure to advance J-REDD+ and demonstrate results by the United Nations Framework Convention on Climate Change 30th Conference of the Parties (COP30) in 2025. In Pará the team is supporting the development of the benefit sharing agreement (in line with the ART/ TREES Standard). In Mato Grosso, the team supports the J-REDD+ Working Group to prepare the state prepare for a potential Emissions-Reduction Payment Agreement, and a work plan to establish a public-private entity to transact J-REDD+ credits is being implemented based on the team's recommendations. In Colombia, EII and Solidaridad work closely to leverage impact. The team updated the financial offer and investment plans for coffee agroforestry, and developed a clear business plan for low-carbon livestock, building on foundational work from Year 1. They collaborated with financial institutions to enhance LCA offerings and are developing innovative tools, including a cloud-enabled Fintech platform and a credit scoring tool for low-carbon livestock. Capacity-building initiatives such as training technicians and designing a school of sustainable finance to boost financial literacy (for coffee and livestock producers) are also underway. However, market conditions in Caquetá can deter producers from seeking credit due to high interest rates and declining commodity prices. The team is also closely analyzing tax exemptions and other incentives in the Department (e.g., PES). In Peru, Solidaridad uploaded information from 700 producers into the Acorn Platform, and signed 15 agreements with coffee producer cooperatives and associations to onboard their members to the platform.⁶ These agreements potentially expand the reach of Acorn to 3,000 new producers in the coming years, increasing farmers' access to carbon markets and helping them to receive additional benefits for reducing GHG emissions through agroforestry. Regarding unlocking additional public investment packages to scale LCA, EII is currently working with three proposals in the Program area: One on regional incentives for deforestation-free production co-designed with the MIDAGRI; one working on a public investment portfolio through the Amazon Regional Development Fund in Ucayali to address deforestation-risks in the agricultural sector; and one in San Martín to design a public investment program aligned with the LCA roadmap developed under Pathway 1.3.⁷ Together these proposals have the potential to unlock over USD \$3 million of public investment to scale LCA and DFP.

Pathway 3.2 focuses on increasing the monitoring of financial products and public investments for deforestation and biodiversity risks. In Brazil, NWF engaged with Santander, which led to the development of the Febraban rules (aligned with the GTFI Good Practices) about progress on implementation and what will be needed to implement individual animal traceability. In Colombia, Solidaridad is collaborating with Finagro, Banco Agrario, and non-governmental organizations to define a monitoring standard and pilot an approach for deforestation monitoring for risk and credit analysis. By the end of the Program, the team aims to scan 100 credit applications for deforestation risks. Currently the team is working closely with the Green Finance Roundtable working group on monitoring risk and credit analysis on defining a deforestation monitoring standard, which will serve as the basis for this work. The team is also advancing with a pilot for low-carbon livestock farming in Caquetá and Meta, where the team is working with Banco Agrario to develop an environmental risk management methodology based on a deforestation analysis model that would enable efficient monitoring and control parameters of environmental risks. In Peru, EII developed a monitoring dashboard for the LED-R Strategy of San Martín,

⁶ Producers under Amazonia Connect from Peru have just been onboarded in ACORN, so they haven't received any payment yet.

⁷ The public investment program in San Martín is expected to begin implementation in early 2025. Currently this program is already included in their multi-annual investment program, and MIDAGRI's final observations are being gathered. In the case of the FONDESAM portfolio, the design is just beginning and the proposal is expected to be ready by the end of 2024.

allowing for the tracking of jurisdictional sustainability metrics and policy impacts. Similar work is ongoing for Ucayali. For both jurisdictions, the team is assessing potential safeguards for public investments in LCA (e.g. deforestation risks).

DO 4. Research turned into actionable knowledge for supply chain stakeholders to reduce deforestation and improve biodiversity conservation

Pathway 4.1. Development of applied research that strengthens private sector strategies to reduce deforestation and improve biodiversity conservation: UW's research in Brazil, Colombia, and Peru during Year 2 has uncovered additional insights crucial for combating deforestation and promoting biodiversity conservation. In Brazil, analyses of property sizes related to deforestation and cattle production found that most deforestation takes place on larger properties, underscoring the importance of strategies to reduce deforestation that are appropriate for various types of producers, and analyses of protected areas under threat show how cattle-related threats are concentrated in a handful of areas. Methods developed for this analysis and a paper published under Amazonia Connect in Year 1 support investigations led by the Federal Public Prosecutors Service to address encroachment in Indigenous Territories by cattle ranchers. In Colombia, research on cattle movement provides new insights into the supply chain, aiding efforts to implement monitoring and traceability. The team's research has supported the identification of the municipalities and slaughterhouses associated with direct and indirect sourcing of cattle from high deforestation municipalities, and led to new insights into the key role that "concentrations" (fairs, auctions, and other such events and venues that bring together groups of cattle to be bought and sold in high numbers) play in the supply chain. These results can help inform ongoing efforts in Colombia (including under Activity 2.3) to implement monitoring and traceability as required by the ZDAs, as they provide critical details about the makeup of the upstream cattle supply chain to signatories who are largely operating downstream of the slaughterhouse, or at the dairy or further downstream of it, in these supply chains. UW's research in Peru shows how different deforestation map products agree and differ when evaluated at the property level in Ucayali's palm production landscape. These results can help inform efforts by stakeholders in the sector as they pursue RSPO certification and comply with EUDR requirements.

Identify synergies between farm, supply chain, and jurisdictional approaches to scale DFP and biodiversity conservation: EII currently conducts research on two primary approaches to tackle tropical deforestation: the supply chain "zero deforestation" movement and the multi-sector "jurisdictional" approach, noting potential synergies between them, but highlighting a current mismatch in criteria and a risk of a divided market. At the regional level, EII has developed an outline and summary that forms the basis for an upcoming blog and development of a peer-reviewed academic journal article with the tentative title: *Sustainable, low-carbon, nature-positive food production systems are possible through a blend of jurisdictional and supply chain approaches*. The outline emphasizes that long-term sustainability of food production systems in tropical forest regions is possible through a blend of strong public policies, research and innovation, rural extension and technical assistance, and strong market signals. Jurisdictional approaches feature a strong role for governments and public policies, convening power to unite multiple stakeholders to agree on and pursue sustainability objectives across large territories. Supply chain approaches leverage the power and influence of the private sector to support sustainable practices and fund their implementation. Furthermore, jurisdictional programs can help farmers comply with market-driven sustainability policies and standards. However, there is a need to fully harmonize jurisdictional and supply chain metrics over time. Currently, jurisdictional metrics are measured collectively (e.g., social and environmental metrics measured across whole territories), while supply chain metrics are generally measured individually against certification or specific sustainability standards.

CROSS-CUTTING THEMES

Gender Equality and Social Inclusion (GESI): The team advanced in drafting the Program-level GESI Assessment, with contributions from gender focal points and consortium partners. An early draft was positively received by USAID's Gender Equality and Women's Empowerment Hub,⁸ and the team aims to finalize the report in May 2024.⁹ Once finalized, an online learning event on GESI will follow, where teams can share their progress and lessons learned.

So far, 1,052 women have been trained on LCA (21% of producers reached) using [Inclusive Technical Assistance](#) practices. In Peru, Solidaridad uses the [Gender Action Learning System \(GALS\)](#) for Palm to improve gender equality and social inclusion at the farm, household, and community level while scaling LCA in palm oil and coffee supply sheds. Related to oil palm, the team is close to finalizing the first GESI Analysis for smallholder oil palm producers, which has already provided important

⁸ The team also aims to explore opportunities to collaborate with USAID's Gender Equity and Women's empowerment hub to raise awareness of the GESI measures and good practices implemented through Amazonia Connect.

⁹ Given the timing close to public holidays, the learning event in Peru, and the semi-annual report, the team discussed with the Activity Officer (AOR) that the team will aim to finalize the report in May, to ensure sufficient time for the consortium to review the final complete version.

insight for all stakeholders in the sector.¹⁰ In Colombia, GESI Studies for coffee and livestock in Caquetá were completed, and initial dissemination sessions for livestock farmers were held. For coffee, dissemination of results will happen in the next reporting period; meanwhile, the team has trained 75 young people (41 women) through the youth entrepreneurship school in Caquetá. Related to monitoring and traceability, tools promoted by the Program, namely Visiprec and Visiprast, integrate datasets supporting the identification of environmental and social risks (e.g., sourcing from deforested areas, protected areas or indigenous reserves, etc.). The tools aid Program research, monitoring, and improved transparency, informing (and potentially) preventing sourcing from sensitive areas. In terms of jurisdictional approaches, EII aims to increase rural women and youth participation in workshops, meetings and webinars by setting a gender participation quota in certain events (e.g. often 30% in Peru), facilitating attendance through discussing with key stakeholders how to increase the attendance of youth and women (e.g. with the Secretariat of Agriculture and Environment in Caquetá), and GESI-considerations are reflected and promoted in the technical assistance given (e.g. EII in Peru helped ensure goals for the inclusion of rural women were included in the LED-R strategies of Moyobamba, Rioja and Neshuya, which includes setting quotas for women beneficiaries, and including actions to develop adaptations to extension approaches to better reach rural women in an approved irrigation investment program).

Collaboration: The Amazonia Connect team engaged in multiple meetings, technical sessions with the USAID missions and DC office, and USAID-supported activities on diverse topics ranging from deep dives into jurisdictional approaches in Brazil to discussions on ethics, among others. Successful Learning Events were held in Brazil and Peru. In Brazil, nearly 80 guests gathered in Novo Repartimento [to learn more about Amazonia Connect](#), including experiences from the Program's first year. The event was followed by a field visit the next day, where over 25 participants could see LCA in practice and learn more about the activities the consortium is implementing. In Peru, 59 persons (30 women) attended the [learning event](#) where panels and presentations covered a wide range of topics, including advances in traceability and monitoring with Visiprast, scaling up good practices in coffee and palm oil supply chains through jurisdictional approaches, good practices for scaling up LCA with palm and coffee producers in the Peruvian Amazon, and the link between gender equality and biodiversity conservation. The consortium in Colombia held an in-person field visit to Meta, to share updates, learn more about each partner's ongoing work, and strengthen collaboration and learning within the team. The team visited one of the Program's private sector partners - La Catira- to learn more about their production system and experience with Visiprast. In Colombia, the team also closely collaborates with USAID and other US-funded Programs in the framework of the Caquetá Regional Integration Strategy (RIS). EII and Solidaridad held meetings with the Finance for Equity (FE), Business Case (BC), and Sustainable Agriculture (SAA) activities to define joint development activities. Through these meetings, an agreement was made to work together to train Caquetá agricultural extension workers and technical assistants in financial education through Solidaridad's School of Sustainable Finance (DO3).

MANAGEMENT AND OPERATIONS

The consortium advanced with key products, including the approval of the [Year 2 Work Plan](#), [the Year 1 Annual Report](#), the [Year 2 Environmental Mitigation and Management Plan \(EMMP\)](#), the [baseline report](#), and the revised greenhouse gas targets. The team also built an innovative dashboard to visualize key information from the Program, including Program Indicators, and support data analysis and learning. Communication efforts are on track and aligned with the [Communications, Branding and Marking Plan](#). During this reporting period, the team published 17 social media pieces and 17 long-form articles and posts in English, Spanish and Portuguese. The team also rolled out a series of four short films covering the overall program and specific work in Brazil, Colombia and Peru.¹¹

LEARNING AND ADAPTIVE MANAGEMENT

Throughout this reporting period, the Amazonia Connect consortium navigated various contextual shifts, including transitions in administrations, changing market conditions, and requirements. Close collaboration with USAID and other partners facilitated the development of effective adaptive management strategies. Emphasizing trust-building within communities, conducting transparent communication within and outside of the consortium, ensuring flexible management approaches, and utilizing tools such as the Work Plan [Progress Tracker](#) (Annex 7.1), proved indispensable in adapting to the dynamic landscape. Regular communication within the consortium and with USAID is emphasized, supported by bimonthly meetings, and sharing monthly updates and tri-annual newsletters. The upcoming Pause and Reflect Session, planned for May 2024, will focus on connecting the dots across DOs, enhancing coordination across the consortium, and creating more systematized learning, including but not limited to the Program's regional impact.

¹⁰ For instance the study also found women were more likely to hold land than men, however their plots tend to have fewer hectares and women have less production capacity. The full report provides additional insights and key recommendations to strengthen gender equality and youth inclusion.

¹¹ Watch the films in [English](#), [Spanish](#) and [Portuguese](#).

2. Introduction

The Amazon rainforest is the largest remaining tropical rainforest and one of the most biodiverse places in the world. By absorbing a significant portion of global carbon dioxide emissions, it helps avoid global climate change's worst effects. However, deforestation driven by unsustainable land use conversion for agriculture is resulting in biodiversity loss and threatens to turn the region into a net source of carbon.

Amazonia Connect is a partnership between the United States Agency for International Development (USAID), Solidaridad, Earth Innovation Institute (EII), National Wildlife Federation (NWF), and the University of Wisconsin-Madison (UW). With USAID's Amazon Regional Environment Program, producers, companies, local governments and financial institutions, Amazonia Connect promotes and scales the adoption of low-carbon agriculture (LCA) and deforestation-free commodity production (DFP) to improve biodiversity conservation and support climate action in Brazil, Colombia, and Peru. Amazonia Connect works in coffee (Colombia and Peru), cattle (Brazil and Colombia), and oil palm (Peru), in regions with high levels of commodity-driven deforestation, greenhouse gas (GHG) emissions and biodiversity.

By harmonizing and scaling successfully implemented approaches, Amazonia Connect will:

1. Promote adoption of LCA¹² and DFP models by producers in key Amazon jurisdictions.
2. Promote adoption of monitoring systems by companies to enable deforestation-free sourcing and biodiversity monitoring.
3. Unlock finance and incentives for producers to enable the transition to LCA models and DFP, in conjunction with jurisdictional and private-sector mechanisms.
4. Turn research into actionable knowledge for policymakers, companies, and multi-stakeholder platforms to scale the Program's impact in the region.

Annual Report

This Semi-Annual Report is submitted in accordance with Attachment A - Schedule Section A.5. Reporting and Evaluation, subsection 6 "Semi-Annual Performance Reporting" of the Amazonia Connect USAID Cooperative Agreement (#72052722CA00002). The purpose of this document is to report the progress of Amazonia Connect during the period from October 1, 2023, to March 31, 2024.

¹² In the context of Amazonia Connect, LCA is defined as an approach that helps to guide actions needed to transform and reorient agricultural systems to effectively support development in a changing climate. LCA/Climate Smart Agriculture (CSA) aims to tackle the following main objectives: sustainably increasing agricultural productivity; adapting and building resilience to climate change, and reducing and/or removing greenhouse gas emissions (e.g., from agriculture and land use change/ deforestation, and enhancing soil carbon sequestration). LCA/CSA is therefore inclusive of, but not limited to DFP. It further generates additional benefits including, among others: improving soil health through good practices, enhancing soil carbon, and strengthening the resilience of agro-ecosystems to climate change. Amazonia Connect will work within entire supply chains to promote LCA approaches to production in select landscapes of Brazil (Pará), Colombia (Caquetá), and Peru (San Martín and Ucayali). As farmers implementing LCA principles avoid deforestation and are trained to consider ecosystem services, this approach addresses the interlinked challenges of climate change and biodiversity conservation. LCA also supports sustainable increases in agricultural production, thus improving livelihoods and enhancing climate resilience.

3. Activity implementation, progress and results

This chapter presents the highlights and progress toward results from October 01, 2023, to March 30, 2024. It includes a summary of completed and ongoing interventions and an update on the tasks and their progress.

Development Objective (DO) 1. LCA/DFP and sourcing models scaled in key Amazon jurisdictions

Increasing the adoption of LCA practices in priority areas of Brazil, Colombia and Peru requires close coordination with governments (national and sub-national authorities), companies, and producers. DO 1 aims to scale LCA and DFP in key Amazon jurisdictions through:

- Training field staff and lead producers in LCA practices and delivering technical assistance for implementing LCA practices to producers in target regions in Brazil, Colombia and Peru.
- Supporting companies to develop and implement LCA and deforestation-free sourcing guidelines and policies.
- Scaling LCA and deforestation-free practices at a jurisdictional level in collaboration with regional and local governments.

The Program continues to build on the advances of Year 1, where the team conducted key baseline analyses and set the foundation for scaling and building trust-based relationships with farmers, private sector partners, regional and municipal governments, among other key stakeholders. During the last six months, the team focused on reaching out to additional producers in Colombia and Peru, and increasing the adoption of LCA practices across all commodities and countries within the framework of Amazonia Connect, with 2,262 persons (28% women) trained on LCA so far.¹³

Since the Program's inception, the consortium team has worked closely with private sector partners to gain insight into their operations, current policies and strategies, and overall aspirations for sustainable sourcing. In Colombia, the team provides targeted technical assistance to support farmers who wish to undergo assessment and attain internal certification under Nestlé's [Regenerative Agriculture Reference Framework](#). So far the team supported 7 producers (1 woman) who received a monetary incentive for achieving this certification.¹⁴ In Peru, the oil palm team works closely with Alicorp who initiated a homologation process of mills to ensure compliance with their sustainability policy. Alicorp plans to address identified gaps to achieve full policy compliance, and Solidaridad provides ongoing technical support. Due to reasons beyond the Program's control, the coffee teams in Peru and Colombia have had to adaptively manage the departure of private sector partners that occurred near the end of Year 1. The last months have focused on outreach with private sector partners, and both teams are forging new partnerships. Formal cooperation agreements are expected to be formalized in the coming months for both countries.

In terms of jurisdictional work, the team focused on jurisdictional actors in Colombia and Peru. Significant advances were made in Peru to develop and validate low-emission rural development (LED-R) strategies at the municipal level as a mechanism to support and implement the regional strategy. In Moyobamba, the municipal LED-R strategy was developed and approved, and strategies were also completed for Rioja and Neshuya. In partnership with the government and local stakeholders, strategies are also being drafted for Campo Verde and Padre Abad. In Colombia, despite the turnover of officials due to regional elections in 2023, progress was made in implementing the LED-R Strategy in Caquetá where the team supported the facilitation strategic planning meetings, conducted capacity-building efforts with key authorities and institutions, and designed training courses for the formulation of sustainable projects for low-emission development. The online platform *Caqueta Sostentable* was also updated in consultation with government partners to communicate the main actors, purpose, and goals of Caqueta's LED-R strategy. In Meta, the team collaborated with the Environment and Agriculture Secretariats to develop a roadmap outlining the process and key milestones for the development of the LED-R strategy, which will serve as a key orientation document for stakeholders in the Department.

¹³ This corresponds to the GNDR-2 indicator. The area under LCA practices is reported on an annual basis, in accordance with the [MEL Plan](#).

¹⁴ The team aims to support a total of 30 producers in Year 2, with most of the progress anticipated in the second half of the year.

Regional reflections: The consortium is implementing similar approaches in each of the three countries to promote the adoption of LCA and DFP, while ensuring they are sufficiently tailored to fit the local context, stakeholder priorities, and requirements. Understanding these dynamics better, coupled with additional insight into incentives for producers, governments and companies, provides important learning for scaling LCA within farms, supply chains, jurisdictions, countries and the broader region.

Overall, to support the scaling of LCA and DFP, through either farm, supply chain, or jurisdictional approaches, it is crucial to understand the costs and benefits of implementing specific actions, identify success factors, and seek and secure incentives that can be sustained beyond the Program's lifespan. Already, the team has progressed by conducting studies on producers' motivations (e.g., for producers in livestock supply chains in Caquetá) and gender equality and social inclusion considerations that support more equitable and inclusive scaling of LCA. The teams' experiences provide unique insights into success factors and challenges to provide tailored technical assistance and important interlinkages with other key factors, including finance. At the same time, close cooperation with companies on the design and implementation of sustainable sourcing policies also creates additional emphasis for both companies and producers to support a transition towards LCA and DFP. Thus, learning is enabled through this multi-faceted approach.

Ongoing implementation of the Program's activities under this DO and others in Amazonia Connect will provide vital insight into the Program's learning questions (see Chapter 6.2 and Annex 7.5), as well as additional insight for addressing the underlying causes of deforestation and replicating and scaling similar activities across value chains and within the region.¹⁵ Monitoring the Program's activities and impact throughout the implementation process and supporting continuous cross-cutting learning will generate insightful knowledge and inform the Program's learning and research questions related to harmonizing jurisdictional and supply chain approaches to achieve sustainable development and biodiversity impacts that can be replicated and scaled across the three countries, as well as the broader Amazon basin and other priority biomes in South America. Supporting regional impact and learning will be a key topic in the upcoming Pause and Reflect Session - PRS (see Chapter 5.1 for more detailed information).

PATHWAY 1.1: FARMERS INCREASE ADOPTION OF LCA PRACTICES IN PRIORITY AREAS

BRAZIL

Advances: The team has made significant progress to enhance LCA practices in livestock production in Brazil. Over the past months, 700 beneficiary families have received technical visits on their properties, laying the groundwork for sustainable agricultural practices. Additionally, six training sessions with technicians and farmers on livestock intensification and rotational grazing systems have been conducted since January 2024, involving 86 producers, with 14% representation from women, and 15 technicians. Concurrently, the team has successfully implemented 180 ha of rotational grazing systems across 36 properties, intensifying sustainable livestock production.

When reflecting on the incentives correlated with increased uptake of LCA,¹⁶ in addition to providing technical assistance, it is also important to leverage credit or other types of financing to support the scaling of more costly LCA practices, such as rotational grazing systems. Many producers struggle to compile necessary bank documentation, hindering their access to financial resources. Outside of Amazonia Connect, an agreement with Banco da Amazônia S.A. (BASA) was established in partnership with Solidaridad and JBS Fund for the Amazon through the RestaurAmazonia Project¹⁷ that aims to create a fast track for credit analysis for beneficiaries to facilitate access to credit for investments in livestock production systems. This agreement will benefit 29 livestock farmers with an average loan of USD \$20,000 per family and will provide important lessons learned that can inform the design of credit and incentives to support the scaling of LCA.

¹⁵ For example, recently the MEL team at Solidaridad reflected on some of the learnings from Amazonia Connect in an [article](#) focusing on how to carry out quality monitoring of projects implemented in the field in different countries, and covering different commodities.

¹⁶ See also Chapter 6.2 of the Year 1 Annual Report.

¹⁷ It is not directly financed by Amazonia Connect, however it is an activity done as part of the RestaurAmazonia project supported by the JBS Fund for the Amazon, a leverage partner for Amazonia Connect. They are contributing a leverage amount of USD 1.5 million within our Agreement (Section A.10). While RestaurAmazonia's main objective is to promote sustainable livestock (and cocoa) production, it does not have resources to invest in livestock intensification (e.g. rotational grazing). Amazonia Connect complements RestaurAmazonia by supporting the livestock intensification component for 700 family farms over 5 years.

Major upcoming activities during the next reporting period:

- Guiding producers to have their properties regularized regarding environmental requirements and land tenure to become eligible for accessing credit.
- Starting dialogue to establish partnerships with government departments and rural unions to streamline processes. Collaborating with the National Institute of Colonization and Agrarian Reform (IN CRA) Agrarian Public Ministry to speed up the issuance of Agrarian Reform Beneficiary (RB) documentation for producers in areas of settlement.
- Continuing to carry out trainings.

COLOMBIA

Coffee

Advances: In the last quarter of 2023, Nespresso announced its withdrawal from the Caquetá cluster. Solidaridad worked closely with USAID to find alternative solutions and partners. Solidaridad drafted a proposal outlining adjustments for the coffee work in Caquetá, which USAID approved on March 13, 2024. As outlined in this proposal, Solidaridad is developing a cooperative agreement with the company Siruma Coffee, which will focus on scaling up LCA and promoting deforestation-free sourcing in Caquetá (see Pathway 1.2 below) and should be finalized in the coming months. In addition, Solidaridad will work with the Caquetá Coffee Growers Cooperative (COCAFICA) to scale LCA practices throughout Caquetá.¹⁸ Despite these adjustments, the team aims to reach the original targets of 1,000 producers (11% women) and 14,036 ha of land under improved management practices.

The baseline study and work conducted in the first 1.5 years of the Program provided important insight into coffee producers and the region. Many producers use bare-root planting, which is one of the worst planting practices.¹⁹ Soil analyses conducted on 81 farms revealed that soils in Caquetá used for coffee cultivation often exhibit acidic pH levels and significant imbalances in essential nutrients and exchangeable bases, mostly due to natural conditions. The research team generated zonal recommendations based on individual conditions of the physio-chemical and nutrient characteristics of the soils. The team also determined that the soils need strong management with amendments before increasing fertilizer applications due to the high acidity conditions (average pH 4,4), high aluminum contents, and low amounts of organic matter.²⁰ Conversely, tree planting can contribute to increasing organic matter levels in the long term.

Based on this information, the team is tailoring their technical assistance to prioritize adequate planting (using planting material from germinators and seedbeds instead of bare-root planting), soil conservation and nutrient management through LCA practices. During the last six months, the team held information and training sessions with producers and their families at the village and municipal levels, focusing on topics related to tree planting and community work²¹ to promote low-carbon practices. Additionally, new coffee plantings have been carried out using material obtained from community work facilitated by the promoters. Overall, the team has engaged with 355 farmers (30% women) that cover an area of approximately 4,529 ha,²²

¹⁸ In addition to Amazonia Connect, the USAID-supported initiatives Business Case and Sustainable Agriculture also work with COCAFICA. Sustainable Agriculture focuses largely on commercialization aspects, while Business Case is focusing on the link with landscape level initiatives. Amazonia Connect has a strong focus on strengthening technical assistance and institutionalizing LCA and deforestation-free sourcing. Follow ups with both Activities are expected in Q2 of 2024 to ensure there is no duplication in indicators or activities, and ensure synergies are tapped and cooperation is efficient and effective. For more information refer to Chapter 4.3.

¹⁹ Bare-root trees need to be planted within a week of leaving the nursery, limiting their availability for planting to only mid-spring and mid-fall. Some species may not be available as bare-root trees.

²⁰ These soils were previously forested areas, and forests inherently exhibit acidic soils; a secondary contributing factor is the degradation from previous land use (e.g., coca production). In Caquetá, many farmers in the region have transitioned to coffee as an alternative development pathway from coca production. Thus, it poses different challenges than coffee production in more established areas in Colombia, such as the Eje Cafetero. This is not to say coffee is not a suitable crop in the region, but instead reflects the need to conduct necessary analyses to inform best practices for LCA for coffee production (what works for coffee producers in other parts of the country is not necessarily best for producers in Caquetá). Nonetheless, the team affirms the importance of working with coffee producers in Caquetá given the ongoing transition to coffee, the proximity to highly biodiverse areas and protected areas, and the risk of deforestation due to the lack of livelihood alternatives or inefficient and unsustainable production practices.

²¹ Community work is collaborative work among producers. This work is done with the aim of putting into practice their learnings and experience on LCA. Producers gather on a farm and apply LCA practices. This is done on several farms in order to learn practices and assist all producers.

²² Official indicator reporting on the number of producers and area will occur at the end of Y2, in accordance with the MEL plan. This has been projected based on the per capita area reached in Year 1, covering the full farm (i.e. on-farm forest + agricultural area).

and will continue to scale this work as cooperation with COOCAFICA and Siruma Coffee evolves in the coming months.

Major upcoming activities during the next reporting period:

- Establishing four demonstration farms within the communities to facilitate hands-on learning of LCA practices and provide local benchmarks.
- Promoting community work as a strategy to encourage the adoption of LCA practices.
- Expanding the promoter team to further engage with the communities and coffee producers engaged in the Program.
- Disseminating the findings and recommendations from the [Gender and Youth Study](#) with COOCAFICA, Universidad de la Amazonia, and the field technician team.
- Clarifying any adjustments in indicators with Business Case and Sustainable Agriculture teams who are also working with COOCAFICA (see Chapter 4.3 for more detailed information)

Livestock

Advances: Program awareness raising sessions were conducted in partnership with Nestlé, resulting in the participation of 409 individuals at the Low-Carbon Livestock School,²³ with an increased representation of women (275 men, 134 women). Of the total participants, 210 were Nestlé suppliers, of which 111 were women and 99 men. The school enabled women to attend workshops by providing compatible schedules and child-friendly spaces. In addition, a promoter facilitated a WhatsApp channel that encouraged producers to exchange experiences and comply with proposed activities.

The team also produced testimonial videos featuring leading producers to stimulate compliance with activities among other livestock farmers. Additionally, 8 technicians from Solidaridad (1 woman) were trained on the carbon sequestration potential of silvopastoral systems and emissions associated with the livestock sector.

The team finalized the [Study on Motivations of Livestock Farmers](#) in Caquetá and the [Gender and Youth Analysis for Livestock Farmers](#) in Caquetá. The results of both studies were presented to technical teams from Solidaridad, Nestlé, and Servisostegan. Nestlé plans to incorporate the recommendations stemming from these studies into their gender and youth²⁴ initiatives.

Major upcoming activities during the next reporting period:

- Holding Program awareness sessions during the workshops conducted by Nestlé with individuals managing milk tanks, scheduled between April and May to enroll a last group of participants.
- Providing spaces for learning about pasture management (pasture measurement) and forage diversification.
- Defining criteria for demonstration farms, including for conducting livestock tours.

PERU

Coffee

Advances: During the reporting period, Solidaridad signed agreements with five coffee producer cooperatives (Valle Grande, Frutos de Selva, Villa del Triunfo, Capisam and Diamante Verde), which will benefit 1,000 small producers (approximately 18% women). Within the framework of these agreements, the training of 25 leading producers (2 women) has begun, and a similar number of demonstration farms have been implemented, in which the leading producers put everything learned during training sessions into practice. Both processes are carried out per the coffee agricultural calendar in the San Martín Region (for example, if a certain month corresponds to the planting season, this is the central topic of the training in that month and so on, following the stages of growth and development of the crop). These leading producers are replicating

²³ In total four modules have been developed: Introduction to the Low-Carbon Livestock Farming School, Awareness on CO2 emissions, Introduction to Regenerative Agriculture and Soil Health.

²⁴ For youth inclusion and empowerment, the USAID [Youth in Development Policy \(2022\) is an important policy](#). In this policy, USAID defines youth as “...individuals between the ages of 10 and 29; it also recognizes that those under age 18 are universally considered children and subject to numerous national and international norms and legal protections this policy seeks to reinforce.”

the training modules they received, in turn, training 360 coffee producers (115 women), with support from Solidaridad's technical team and the cooperative members of the Program. Solidaridad has started sharing their training materials with leading producers, technical teams and managers of the Program's partner cooperatives. To reinforce this training process, the radio microprograms that Solidaridad developed are being disseminated through two local radio stations, which reach the entire Program's intervention area. These materials, which include diptychs, flipcharts and videos, are being disseminated through WhatsApp. Additionally, officials and technicians of the Regional Government of San Martín are also receiving these materials.

Major upcoming activities during the next reporting period:

- Continuing to train lead producers according to the agricultural calendar. In the next months, key topics will be related to the management of coffee and forest species plantations, soil and shade management and fertilization.
- Continuing with the implementation of the demonstration farms.
- Continuing to disseminate microprograms for coffee producers through the two local radio stations.

Oil Palm

Advances: To confirm and enhance the previous commitments made by mills in Year 1 of the Program, Solidaridad has signed agreements with the producer organizations and their corresponding mills: the Central Committee of Palm Growers (COCEPU), Oleaginosas Amazónicas S.A. (OLAMSA), Palm Oil Farmers Association of Shambillo (ASPASH), Oleaginosas Padre Abad (OLPASA), Monte Alegre de Neshuya Growers Association (APROMAN) and Industrias Oleaginosas Monte Alegre S.A. (INDOLMASA). To reinforce coordinated work, Solidaridad also conducted workshops to present the results of the first year of the Program and establish a joint work plan for 2024 with the organizations.

To facilitate the adoption of LCA, Solidaridad implemented gamification-based training for 86 additional small producers (31 women) on good LCA practices and new plantations/landscape management. In addition, 16 technicians (2 women) were also trained in management planning and the development of soft skills in leadership and empowerment to improve their work in technical assistance. Until now, the team has trained 611 producers, including 177 women (29%).²⁵

Solidaridad, in close coordination with technical teams of the producers' organizations, has made significant progress in the establishment of demonstration farms. Specifically, Solidaridad defined the selection criteria and prioritized the practices to be implemented. The team has also defined the typology and number of demonstration farms, and finalized the budget for their implementation. The team also started coordinating a partnership with [NETAFIM](#), a fertigation²⁶ service provider, to co-implement fertigation plots in four of the 12 demonstration farms, with the support of its technical team.

Another important highlight is that through the support of Solidaridad and Alicorp (within their Sustainable Oil Palm Initiative), APROMAN obtained the first Roundtable for Sustainable Palm Oil (RSPO) membership for a small independent producer certification group of the Ucayali region (and the second RSPO membership for Peru), and gained RSPO funding for further implementing LCA and DFP practices in line with RSPO requirements.

Major upcoming activities during the next reporting period:

²⁵ During the period from Year 1, as reported in the Year 1 [Environmental Mitigation and Monitoring Report](#), the team trained 72 technicians (8% women), and 575 producers (30% women) on sustainable palm oil production and LCA. This includes 43 representatives from 3 mills (23% women) trained on best practices for LCA in oil palm supply chains. A specific training on integrated pest management was held on September 2022, where 185 persons were directly trained on this topic, and an additional 122 reached through a train the trainers approach. No trainings for technicians on integrated pest management have been held this year (trainings have been largely focusing on the establishment of demonstration farms). Trainings on integrated pest management are anticipated in the second half of the year, and will be reported on within the Training Plan, EMMR and Annual Report.

²⁶ Fertigation is a technique of supplying dissolved fertilizers to crops through irrigation. Solidaridad has a partnership with NETAFIM to support implementation. Through the partnership with Netafim, it is planned to co-finance expenses between AC and Netafim for at least 4 irrigation systems in 4 demonstration plots, which will allow the Program to test the use of the technology in the palm of Ucayali, carry out the field schools and on the other hand articulate to channel financing options for small producers. Netafim is implementing this activity within the framework of a project with the IDB: <https://www.iadb.org/en/project/PE-L1289>

- Continuing the training with producers and technicians on RSPO guidelines practices.
- Implementing two farmer field schools on fertilization and integrated pest management.
- Implementing the 12 demonstration farms.

PATHWAY 1.2: COMPANIES IMPLEMENT LCA AND DFP SOURCING AND PRODUCTION GUIDELINES

COLOMBIA

Coffee

Advances: As mentioned under Pathway 1.1, the team will strengthen collaborative efforts with COOCAFICA, and will bring on board the company Siruma Coffee to support scaling of LCA, and promote more sustainable sourcing practices:

- **Siruma Coffee**, an online specialty coffee seller, is actively supporting the adoption of sustainable practices within a producer association. They are conducting farm baseline assessments and sensory quality sampling of the coffee they produce. This initiative underscores the organization's commitment to establishing a commercial process focused on climate-smart and deforestation-free coffee.
- **COOCAFICA** holds a presence across the coffee-producing region, accounting for 16% of the total production in the department. The cooperation with this cooperative builds on collaborative pilots conducted with COOCAFICA, which aim to expand the promoter team to support LCA scaling.

New collaborative efforts with COOCAFICA and Siruma will build on the work and processes developed during Year 1 to scale LCA and strengthen sourcing of LCA and deforestation-free coffee. Siruma has been diligently formulating guidelines for LCA sourcing, and the team has been working on the specific activities within Pathway 1.2. Specifically, before implementing the guidelines at scale, during the next reporting period, the team will select two producers to test the guidelines and help ensure the guidelines' suitability and adjust practices as necessary. Once the guidelines are ready, the team will support the rollout of these practices.

Major upcoming activities during the next reporting period:

- Finalizing the cooperation agreement with Siruma Coffee. Once the agreement is in place, the team will begin training technicians and producers regarding the identified practices derived from the baseline.
- Monitoring the physical and sensory quality processes of the coffee produced by Siruma Coffee's associates. Specifically, the team will focus on identifying the producers who can be part of the specialty coffee pilot, helping to estimate how much specialty coffee they can produce, accompanying the group of producers in the sample collection that will be sent to Siruma (who is in charge of the analysis of the samples), and supporting the implementation of practices to improve the quality of coffee.
- Commencing training processes with an expanded promoter team through the cooperation with COOCAFICA.
- Selecting producers to test the guidelines for LCA sourcing (April), and then supporting the broader implementation of these guidelines (starting in late May).

Livestock

Advances: As part of the Amazonia Connect framework, a cooperation agreement was co-created and signed with Nestlé in Year 1 to support farmers in implementing LCA.²⁷ Building on the assessment of Nestlé's [Regenerative Agriculture Reference Framework](#) completed in Year 1, which helped identify the key critical activities for the farmers to improve (e.g., manure management, agroforestry and natural regeneration models), the team continues to provide targeted technical assistance to support farmers who want to undergo an assessment and attain internal certification.²⁸ This year, the team has provided technical

²⁷ Specifically, the agreement focuses on the following thematic areas: 1. Technical assistance, 2) Training through the Low-Carbon Livestock School, 3) unlocking sustainable finance for producers implementing LCA, and 4) mainstreaming measures to strengthen gender equality and youth engagement).

²⁸ Under Nestlé's Internal Certification initiative (under their Regenerative Agriculture Reference Framework), producers can receive direct benefits from Nestlé, such as partial economic support to cover some of the investments required to get certified. Producers are classified in three levels 1) Committed, 2) Advanced and 3) Leader. Upon reaching the 'advanced' level producers can receive a voluntary bonus per liter of milk that varies depending on market conditions. In general, it is around 10 Colombian pesos per liter of milk sold.

assistance to support the certification process of "Regenerative Agriculture" (certified by Nestlé) for 7 producers (1 woman), who received an economic incentive for achieving this certification. The team aims to support a total of 30 producers in Year 2, with most of the progress anticipated in the second half of the year.

Major upcoming activities during the next reporting period:

- Providing TA for 30 producers to meet the Nestlé internal Regenerative Agriculture Certification.
- Providing training to producers through Agro Learning (Low Carbon Livestock School).

PERU

Coffee

Advances: In light of VOLCAFE's withdrawal from the Program, Solidaridad held meetings with [Starbucks](#), [ECOM](#), and [RGC Coffee](#) to incorporate new private sector partners. The conversations are on the right track, and the team hopes to formally establish new alliances in the first half of 2024.

While conversations with Private Sector partners are ongoing for cooperation under this Pathway related to sustainable sourcing, the team has made other advances related to sustainable sourcing by working with public actors and other key institutions engaged in the agriculture, forestry and other land use (AFOLU) sector. Solidaridad signed a collaboration agreement with the World Resources Institute (WRI) to work with Global Forest Watch Pro (GFWP) and exchange information on forest monitoring to identify and verify the origin of deforestation agents and monitor business models that promote DFP systems. Within the framework of this agreement, Solidaridad will be able to use the information generated by GFWP to monitor deforestation in the Peruvian Amazon and will provide field information from the cocoa, palm and coffee chains to adjust and calibrate GFWP's monitoring tools to the reality/context of the Peruvian Amazon, contributing to preparations to support small Peruvian producers to comply with the European Union's Deforestation Regulation (EUDR).

In addition, Solidaridad supports the Ministry of Agriculture of Peru in its national actions to facilitate the adaptation of Peruvian producers to the EUDR.²⁹ In particular, Solidaridad is providing support to help develop an efficient and effective tool to monitor deforestation at the coffee producers' farm level, overcoming the deficiencies of current methodologies in Peru for this purpose. During the next reporting period, Solidaridad in Peru will explore the possibility of redirecting resources from Activity 1.2.4 "*Propose on-farm monitoring methodology for coffee cooperatives with the aim to integrate it into their business/ sourcing practices*", an activity related to proposing a methodology for monitoring deforestation at the farm level for coffee cooperatives, towards activities related to supporting national efforts led by Ministry of Agrarian Development and Irrigation (MIDAGRI) to support Peruvian coffee producers to prepare for the EUDR will be reviewed and discussed with the COP, DCOP and USAID accordingly in early May 2024.

Major upcoming activities during the next reporting period:

- Continuing negotiations with Starbucks and ECOM.
- Organizing a field visit with RGC to one of their intervention areas in the *Amazonas* region) to learn more about their work model and to better understand if a partnership with them would be possible within the framework of Amazonia Connect.
- Deciding on potential adjustments to Activity 1.2.4 to support MIDAGRI's efforts to support small producers in complying with EUDR requirements (e.g., providing proof that they are deforestation free), in close communication with USAID.

Oil Palm

Advances: Regarding the implementation of LCA and DFP sourcing and production guidelines by Alicorp, in the last quarter of 2023, a third party was hired to conduct a homologation process of the mills based on

Work in Year 1 of the Program was critical in setting the foundation for supporting farmers to become aware of Nestlé's internal certification opportunities for regenerative agriculture.

²⁹ Thorough preparations are required in Peru to enable compliance and mitigate the potential harm the EUDR could have on smallholders. This includes substantive improvements in the regulatory framework to overcome the current status of producers' informality, establish monitoring systems to track compliance, and provide technical and financial assistance. If they do not succeed, more than 200,000 coffee and cocoa producers will be affected. The result could be an increase in deforestation and other social and environmental impacts due to European market exclusion.

Alicorp's sustainability policy, to certify that the mills comply with the requirements defined by the company. Solidaridad supported the process as a technical advisor. Based on the results of the homologation, Alicorp will coach the mills to close the gaps identified, thus enabling them to comply with the sustainability policy.³⁰ Solidaridad also provided technical support to establish the traceability system to Alicorp, OLAMSA, OLPASA, and INDOLMASA by organizing and sharing information of 200 polygons to UW and Ecosocial to upload in Visiprast and start piloting the tool. Additional field staff were hired and trained to help the producers' associations improve their polygon data and conduct detailed georeferencing of the farm plot's different land uses in the upcoming months.

Major upcoming activities during the next reporting period:

- Coaching for extractors to close gaps based on the results of the homologation. Solidaridad plays the role of technical advisor, providing support throughout the process.
- Conducting trainings and coordinating with the technical team of the associations to map polygons.
- Validating the first Visiprast results with Alicorp and mills (closely linked with the work under DO 2).

PATHWAY 1.3: JURISDICTIONAL ACTORS INCORPORATE LCA AND DFP MODELS AND PRINCIPLES

COLOMBIA

Caquetá

Advances: During this reporting period, EII continued to advance the implementation of the LED-R Strategy in Caquetá, implementing activities at the departmental and municipal levels. For instance, EII informed the elected departmental government and the municipalities of Belén de los Andaquíes about the Caquetá Jurisdictional Strategy and its 2020-2035 Action Plan for the transition to low-emission rural development in Caquetá. This Action Plan was supported in defining the cost of implementing its 41 goals, and its progress is available on the Caquetá Sustentable Caquetá platform.

The team also facilitated strategic planning meetings with teams from Caquetá's Departmental Secretariat of the Environment and Agriculture to promote collaboration and energize the Caquetá Climate Change Sub-node. It also prepared an analysis of the competitiveness agreements of the department's consolidated chains, taking into account the minimum elements of Law 811 of 2003. Building on this assessment, the team facilitated a workshop with strategic stakeholders of the production chain committees to identify joint actions. Furthermore, to build capacities on actions to scale up LCA and DFP, EII reached an agreement with the Superior School of Public Administration (ESAP) to train officials and unions in the "Formulation of sustainable projects for low-emission development," where the goal is to promote the implementation of the LED-R Strategy.

Major upcoming activities during the next reporting period:

- Developing and implementing the course "*Formulation of sustainable projects for low emission development*" to capacitate local officials and stakeholders, with focus on Caquetá's LED-R Strategy (totalling 81 hours of training). The course is expected to begin on April 29 and will finish on July 3, 2024.
- Generating agreements with municipal governments for the early implementation of the LED-R Caquetá Strategy.
- Reporting on the progress of the LED-R Strategy through the online platform [Caquetá Sustentable](#).

Meta

Advances: EII held three working meetings with the newly elected government team of the Environment and Agriculture Secretariats' to support the creation of a roadmap for the design of Meta's LED-R Strategy. EII contributed by hosting a working session and sending suggestions and comments for the new government's planning documents, including the Departmental Development Plan for Meta, which is currently being

³⁰ The team proposes to adjust the output from the Year 2 work plan for PE 1.2.2 "Provide technical support in oil palm traceability to Alicorp, Olamsa and Olpasa" from developing a traceability paper, to focusing on mapping and integrating the polygons of 300 producers by the end of Year 2. Another Project was able to cover the funds for the traceability paper, and the team felt the most impact in developing a traceability system will be to support Alicorp and the mills with polygon data. More detailed information is in the [Year 2 Progress Tracker](#).

drafted. The team highlighted that the Department needs to prioritize communication efforts related to sustainable development in Meta.

Major upcoming activities during the next reporting period:

- Convening spaces for discussion with strategic actors to begin designing a jurisdictional strategy for the Department of Meta, following the established roadmap that EII developed in the past year.
- Accompanying and advising the departmental government and strategic stakeholders in defining goals for LED-R strategy.
- Updating Meta's status towards LED-R in the [Green Jurisdictional Database](#) online platform.

PERU

San Martín

Advances: During the first half of Year 2, EII facilitated the development of a regional roadmap for DFP in the San Martín Region. This roadmap defines the priority actions for the sustainable development of the coffee, cocoa and oil palm value chains. It received validation from 87 key regional stakeholders (24% women, 76% men), including the regional government, MIDAGRI, municipalities, the coffee, cocoa and oil palm technical roundtables, national and international companies, the main national agricultural associations (the National Oil Palm Board (JUNPALMA), Peruvian Association of Cocoa Producers (APPCACAO), National Coffee Board) and civil society. This roadmap was formally approved by the Regional Government of San Martín through Regional Executive Resolution No. 052-2024-DRASAM. The team also prepared a technical proposal to improve the national legal framework to promote deforestation-free and LCA. This proposal was presented to the national governing body, MIDAGRI, and shared with Regional Governments that are members of the Amazon Regional Commonwealth. Regarding Amazonia Connect's alignment report with the LED-R Strategies, there are two reports under development that will identify and create strong linkages between Amazonia Connect's interventions and objectives with the LED-R strategies (one for San Martín and one for Ucayali). These reports will be shared with the team for their inputs and reflections in July 2024. Regarding the LED-R Strategies at the local level, the Moyobamba LED-R Strategy was completed and validated with key stakeholders, and it is undergoing the formal approval process.

Major upcoming activities during the next reporting period:

- Sharing a regional LCA roadmap with other stakeholders to support its implementation (May 2024).
- Receiving the formal approval of Moyobamba LED-R Strategy (May 2024).
- Validating the Rioja LED-R Strategy with key stakeholders (May 2024).
- Finalizing a report on aligning AC interventions and LED-R strategies in San Martín (first draft to be shared in July 2024).
- Training at least 50 key stakeholders (30% women) on LCA, including representatives from the municipalities of Moyobamba and Rioja, the San Martín Regional Government, the coffee roundtable and civil society.

Ucayali

Advances: EII facilitated the development of a regional roadmap for DFP for the palm oil supply chain in Ucayali, together with Solidaridad in Peru, EarthWorm Foundation, JUNPALMA and the palm oil roundtable. This roadmap defines the priority actions for promoting LCA for palm oil production and coordination mechanisms among the Ucayali Regional Government, municipalities and smallholder associations. The roadmap also includes safeguards and voluntary environmental standards to promote DFP in the palm oil supply chain. The proposed roadmap was validated by 22 key regional stakeholders (32% women, 68% men). Similar to San Martín, a technical proposal was prepared to improve the national legal framework to promote DFP and LCA. The proposal was presented to the national governing body, the MIDAGRI, and shared with the Regional Governments that are members of the Amazon Regional Commonwealth. Moreover, EII was invited to participate in a workshop organized by the National Industry Society (SNI - *Sociedad Nacional de Industrias*) in Pucallpa in February 2024, where the team shared their proposal to promote DFP and LCA in Peru with 400 key stakeholders.

Regarding the LED-R Strategies at the local level, EII signed agreements with Neshuya and Padre Abad municipalities to support the design of their LED-R Strategies. EII developed and completed a draft for the Neshuya LED-R Strategy in partnership with the Neshuya municipality technical team. Key strategy workshops are planned in the coming months to advance strategy development.

Major upcoming activities during the next reporting period:

- Attending Neshuya LED-R Strategy workshops with key stakeholders (May 2024).
- Attending Padre Abad LED-R Strategy workshops with key stakeholders (June 2024).
- Attending Campo Verde LED-R Strategy workshops with key stakeholders (June 2024).
- Finalizing a report on aligning Amazonia Connect’s interventions and LED-R strategies in Ucayali.

DO 2. Full supply chain monitoring systems adopted by companies for deforestation-free sourcing and biodiversity conservation

The private sector is increasingly taking action on socio-environmental challenges in their supply chains. New due diligence legislation is creating pressure for companies to understand and address the risks and the adverse impacts of their supply sheds and operations. DO 2 supports companies in adopting improved monitoring and traceability tools to identify deforestation and biodiversity risks in their supply chains, disseminate information on tools among key stakeholders to scale monitoring systems, and promote the implementation of the ZDAs. During this period, UW and NWF (with Ecosocial) made important progress in strengthening and expanding the functionality of the monitoring tools Visipec (Brazil) and Visiprast (Peru and Colombia), as well as strengthening their engagement with companies, roundtables and multi stakeholder groups, and the public sector.

During the first six months of the Program’s second year, UW, NWF, and Ecosocial continued integrating essential and up-to-date data regarding biodiversity, deforestation, and supply chain infrastructure into the Visiprast and Visipec tools. In particular, new data acquisition has significantly strengthened Visiprast monitoring capacities in Peru. In addition, Ecosocial, NWF, and UW have actively engaged with several companies in Colombia³¹ and established MoUs with two dairy companies, La Catira and La Maporita, to monitor and assess socio-environmental risks within their supply chains. In Brazil, Visipec continues to be a vital resource, assisting the Program’s partner meatpackers, Frigol and Masterboi, in their decision-making procedures. Additionally, Santa Cruz, a new meatpacker, has expressed interest in Visipec and is currently in talks with NWF to potentially pilot the tool within their supply chain. In Peru, UW, NWF, and Ecosocial, with support from Solidaridad, conducted a field visit to the three partner mills that supply Alicorp. The purpose was to provide a hands-on demonstration of the progress made with the Visiprast tool and to establish a concrete action plan for the remainder of the year. This plan outlines how mill data and information from selected producers will be shared and integrated into the tool, identifies the individuals responsible for these tasks, and defines the flow of information.

Regional reflections:

Amazonia Connect intends to collaborate with at least ten companies to strengthen their supply chain monitoring, including deforestation risks and biodiversity impacts. The team also aims to improve supply chain monitoring tools to encompass a total of 8.8 million ha of forests in the Amazon Basin in Brazil, Colombia, and Peru. This expansion represents a transition from piloting to landscape-scale monitoring and traceability systems, encompassing biodiversity monitoring and application across various geographical regions. The team expects that the successful use of these scalable tools will continue to drive adoption by companies, leading to forest conservation and reduced carbon emissions across multiple commodities and regions. This has great potential for scaling, both within the supply sheds covered by the Program and the Program target countries in general, but can also be applied to broader areas in the Amazon Basin and beyond. So far, tool improvements made through Amazonia Connect have reached an area of 8.1 million ha.

³¹ Takami, Alkosto, Friogan, Fénix del Ariari, Gomarlac, Frigorífico de Caquetá:COFEMA, Alquería, Gobernación del Meta, Cluster cárnico del Meta y Cluster lácteo del Meta.

PATHWAY 2.1 SUPPLY CHAIN MONITORING TOOLS IMPROVED AND ADAPTED TO NEW COMMODITIES AND COUNTRIES

BRAZIL

Advances: NWF, in collaboration with UW, has developed and maintained the Visipec tool and all of the required data, including newly added data about biodiversity, and an Application Programming Interface (API) to seamlessly integrate the tool into the software systems that meatpackers use. NWF completed a new update of the data on embargoes and slave labor- responding to feedback from meatpackers: the current status is provided as well as the status during the transaction window during which purchased indirect suppliers. This helps plan future purchases (for example, if a property has been removed from a ‘sanctioned list’, it would be useful for the meatpacker to be aware they would no longer be blocked).

One of the key input datasets for Visipec is the Animal Transit Guide (GTA), which registers the movements of animals from one property to another or from a property to a slaughterhouse. Technical issues with the state sanitation agency have limited public access to the the GTA in Pará since November 2023. Despite this, the team is still able to use Visipec for procurement as usual, as they use a transaction window for purchases, which allows cattle to spend time on direct suppliers’ farms. NWF, UW and other entities advocating for GTA transparency are pursuing various strategies to restore public access to the data.

Major upcoming activities during the next reporting period:

- Continuing to update the Visipec data, including new datasets as available.
- Maintaining the Visipec API with database build management and monitoring, and API application support and code maintenance.

COLOMBIA

Advances: UW acquired two additional years of animal transaction data, consisting of over 3 million additional transactions documenting 30 million animal movements. It also received the latest Colombian Institute of Hydrology, Meteorology and Environmental Studies (IDEAM) forest cover and forest cover change data, new digital cadaster boundaries, and continued to refine and improve the biodiversity data layers.

During this reporting period, Ecosocial made significant advancements in producing their own land cover change analysis utilizing free satellite imagery from Google Earth Engine, particularly focusing on forest-to-non-forest and forest-to-pasture transitions. Users of Visiprast can monitor deforestation using a variety of data sources: official national datasets from IDEAM, global data from Global Forest Watch, and this new product based on Ecosocial’s own machine-learning analysis. Ecosocial produced a detailed Methodology Report describing this analysis to enhance transparency and methodology. In addition, there have been other important improvements to the tool: i) included deforestation criteria as specified by IDEAM and under the EUDR, ii) redesigned the dynamic map interface developed in Year 1 to improve user-friendliness and enhance visual clarity, iii) added interoperability between Visiprast the platform SIGAIND, and iv) enhanced the traceability module including diverse producer types (auctions, cooperatives, companies, etc) and additional transactional details, bolstering supply chain transparency. Furthermore, Ecosocial, UW, and NWF actively engaged in the initial discussions of the newly established Traceability Roundtable led by the Ministry of Agriculture and Rural Development. This initiative aimed to garner expertise on traceability, evaluate existing data systems, including the Ganabosques tool, and explore opportunities for interoperability with tools such as Visiprast, potentially allowing data exchange between the two platforms. While this Roundtable holds significant potential for establishing national traceability and monitoring in the cattle sector and is an opportunity to provide valuable feedback on the scope of that effort, it is currently suspended due to personnel changes within the Ministry, and progress in the short term remains uncertain. Finally, with the support of Tropical Forest Alliance (TFA), the umbrella organization of the ZDAs, Ecosocial, NWF, and UW have initiated conversations with the Global Forest Watch team in Colombia to further investigate how to enhance interoperability between both platforms, such as connecting GFW early alerts to Visiprast.

Major upcoming activities during the next reporting period:

In the second half of Year 2, UW, NWF and Ecosocial will focus their efforts in:

- Evaluating available aboveground carbon stock data and adding an aboveground carbon stock data layer into Visiprast for Colombia.
- Improving the tool's user experience and working with UW to conduct a review of biodiversity data, identifying indicators that can provide companies with practical and useful data.
- Identifying an expert to support the revision of Visiprast's Financial Sustainability Plan.
- Reevaluating biodiversity data that is currently integrated to identify opportunities for improvements, and select several indicators that can be useful for companies.

PERU

Advances: UW assembled data on forests and forest loss, including the Ukukui dataset. This data was shared with Ecosocial, and UW conducted comparisons between all available forest loss datasets for Peru. Furthermore, UW continues to access and acquire data related to parcel and property limits and ownership. These datasets are made available to Ecosocial. UW is also acquiring and comparing data on carbon stocks, including a peat soils layer, and other datasets that are important for the palm supply chain, such as High Carbon Stock/High Conservation Value (HCS/HCV) data. NWF supports UW's effort to assemble data, and during the last reporting period, Ecosocial added two novel criteria to Visiprast to assess if producers' products are eligible to meet RSPO standards and EUDR requirements.

Major upcoming activities during the next reporting period:

- Evaluating available aboveground carbon stock data, and working with NWF, and Ecosocial to add the aboveground carbon stock data layer and a peat soil layer in Peru (peat soils have very high soil carbon stocks and overlap with palm production areas).
- NWF and Ecosocial will improve the tool's user experience and will work with UW to conduct a review of biodiversity data, identifying indicators that can provide companies with practical and useful data.

PATHWAY 2.2 MONITORING TOOLS USED BY COMPANIES IN THEIR SUPPLY CHAINS, PRIORITIZING HIGH BIODIVERSITY AREAS

BRAZIL

Advances: NWF was approached by a new meatpacker present in a high biodiversity region of Pará state in the north, which is far from the Program's current meatpackers. This offered an opportunity to expand Visipeç's geographic reach. The meatpacker was concerned about how to comply with the TAC agreement due to poor audit results, and thus sought the team's help to implement DFP sourcing. The team drafted an MoU to begin a formal agreement with them. The team has been in contact with Mafrinorte for some time and visited their slaughterhouse in November. The team also sent them an MoU, but despite several communications and interest from their team, the CEO has not yet agreed to move forward.

Frigol and Masterboi, both medium-sized meatpackers, are now using the newly launched Visipeç dashboard to visualize their compliance with the Brazilian Indirect Suppliers' Working Group (GTFI) Good Practices. NWF is organizing an event with Masterboi for their direct suppliers to present the results to their direct suppliers and explain why they're doing this work. This will help prepare their suppliers for the new market demands. The new Febraban rules, released in May 2023 and aligned with the GTFI Good Practices, are leading these smaller meatpackers to need to show progress in assessing their suppliers for deforestation, and the Visipeç dashboard is a key tool to achieve this.

Major upcoming activities during the next reporting period:

- Working with Carrefour to encourage engagement of Mafrinorte, one of their customers.
- Holding a workshop with Masterboi's direct suppliers to present the Visipeç dashboard.
- Organizing a similar workshop with Frigol, aligning their work in other ongoing initiatives to help capitalize on the regularization efforts that are ongoing by other non-profits.

COLOMBIA

Advances: In addition to the initial two companies engaged during Year 1 (i.e., Alkosto and Takami), the collaborative efforts of Ecosocial, UW, and NWF teams have resulted in the participation of two additional dairy companies in Amazonia Connect: Lacteos La Maporita S.A. in Caquetá, and La Catira Industria Láctea in Meta. Both these companies are signatories to the dairy ZDA. With Lacteos La Maporita, the objective is to pilot traceability along one of their dairy routes, with 30 producers involved in the pilot, ensuring the production of fully traceable products. In January, Ecosocial conducted a capacity-building workshop for La Maporita’s producers from that route, providing in-person training on georeferencing property polygons to extension staff and selected producers. Similarly, with La Catira, current efforts are focused on engaging producers in discussions about polygon mapping and utilizing the Visiprast tool. The aim is to identify producers to be added to the platform and establish a traceability work plan to enhance coverage in the tool. During this period, Ecosocial also engaged two additional important beef companies, Angus Azul and Compañía Internacional de Alimentos Agropecuarios Cialta SAS (known as Cialta). These companies are signatories to the beef ZDA and expressed interest in enhancing monitoring and traceability, however, they currently lack the capacity to commit to participating in the program and implementing the tool. Regarding the companies involved since Year 1, Alkosto and Takami, NWF and Ecosocial developed a detailed work plan and discussions are underway with Alkosto to finalize it. The work plan activities include obtaining information on 26 of their producers and piloting the traceability module with three of them. Regarding Takami, their team has adjusted their priorities, expressing interest in piloting Visiprast nationally, but they want to do initial data collection with producers in departments that are outside the Program's initial scope. While the team will continue discussions, data collection within the departments in the Program area is on a longer timeline for the company.

Major upcoming activities during the next reporting period:

NWF and Ecosocial will concentrate on engaging with the most active companies. Upcoming activities include:

- Georeferencing La Maporita producers’ polygons that are part of the selected pilot dairy route to implement monitoring of properties and traceability of the milk and its final products;
- Continuing to collect La Catira producers’ polygons and integrating them into Visiprast; and
- Integrating Alkosto’s producers’ information into the Visiprast tool.
- Continuing discussions with Takami.

PERU

Advances: The consortium initiated a pilot initiative with Alicorp- with three of their mills in Ucayali, Olamsa, Indolmasa and Olpasa (in close coordination with Solidaridad’s work under Pathway 1.2). Ecosocial has obtained 137 polygons of oil palm plantations and incorporated them into Visiprast. In March, alongside UW, three in-person meetings were held with each mill to explain the Visiprast tool and how to use it, as well as to set out a work plan with each mill moving forward, including how to obtain more polygons of suppliers’ properties and support each mill to use the traceability tool to assess the DFP status of their suppliers, as well as other data that is useful for their work, such as the quantity they purchase from each supplier.

Major upcoming activities during the next reporting period:

- Sending information to each mill so that they can access Visiprast and learn how to use it.
- Organizing virtual meetings with each mill to support their work using Visiprast, including how the mills can provide production data, including the volume of product they purchase from each supplier as well as their production.
- Analyzing the data input to enable each mill to track each purchase and trace the product to sale to Alicorp alongside full traceability information (including deforestation status of each supplier).

PATHWAY 2.3 MONITORING OF FORESTS, COMMODITY PRODUCTION, AND HIGH BIODIVERSITY AREAS WITHIN SUPPLY SHEDS SCALED TO OVER 8 MILLION HECTARES IN THE AMAZON

BRAZIL

Advances: NWF is actively involved in the organization of meetings of the GTFI. The team has conducted outreach to meatpackers and other cattle value chain actors about joining the GTFI. So far, a pharmaceutical company NWF got to know through the Brazilian Sustainable Livestock Roundtable (MBPS), has joined the GTFI. NWF has presented the work of the GTFI in a number of MPBS meetings and subgroups, and has set out the role and work of the GTFI.

Major upcoming activities during the next reporting period:

- Finalizing and sharing the new report NWF is producing on individual animal traceability to MBPS members and other key stakeholders (including the GTFI, Abiec and other state and national level actors and authorities). The report is currently undergoing approval from USAID, and will be finalized and shared in April 2024.

COLOMBIA

Advances:

The first six months of Year 2 have been highly productive in advancing the dissemination and implementation of monitoring and traceability tools within multi stakeholder platforms. With the backing of TFA Colombia, Ecosocial, alongside UW and NWF, led a series of meetings with the Beef and Dairy Secretariats of the ZDAs to grasp the needs and challenges faced by participating companies and to promote Visiprast. With the support of TFA, the current plan is to extend the use of Visiprast to interested companies involved in dairy and beef agreements under the scope of Amazonia Connect. Furthermore, facilitated by TFA, Ecosocial is actively engaging in discussions with GFW to explore synergies between both platforms, enhancing their utility for companies.

Additionally, in November, Ecosocial assumed the leadership of the Monitoring and Information Group (M&I) of the Dairy and Beef agreements following a vote. In February, Ecosocial, NWF, and UW attended two meetings for the Beef and Dairy ZDAs, the first one addressing challenges and progressions, and the second focused on the proposed 2024 Work Plan. This plan highlighted communication strategies, group governance, and activities of the Monitoring and Information group. Ecosocial, as the leader of that group, presented the M&I plan, emphasizing the priority of identifying and implementing monitoring and Measurement, Reporting, and Verification (MRV) pilots with signatory companies using Visiprast. Ecosocial has been supporting the Director of Innovation, Technological Development and Sanitary Protection within the Ministry of Agriculture to initiate its own technical traceability group for government officials as well as non-governmental organizations (NGOs) and the private sector, including representation of the ZDA. This group will be aligned with the ZDAs but enable the government to focus on their specific needs and include stakeholders who are not members of the agreements. Three meetings have been held so far, which served as a forum for different participants to explain their perspectives to the Ministry. The ministry is using this information to decide on next steps, which may be a study to assess the need and potential for improved cattle traceability.

Major upcoming activities during the next reporting period:

For the remainder of Year 2, the primary priorities to enhance productivity and scale up the utilization of monitoring tools like Visiprast include:

- Identifying MRV pilots and supporting using Visiprast as the primary tool for executing the process.
- Continuing to collaborate with the Beef and Dairy Secretariats to present Visiprast as a viable option for their participant companies' monitoring and MRV needs.
- Continuing to explore with GFW and the support of TFA synergies among both tools and foster further developments.

PERU

Advances: In Peru efforts are more nascent, with the first piloting of Visiprast in Peru through Amazonia Connect. Nonetheless, Ecosocial held a meeting with MIDAGRI to explore their platform, the Agricultural Producers Register (PPA, *Padron de Productores Agrarios*), and discuss synergies with Visiprast. They are interested in the Visiprast traceability module, so the hope is to continue conversations and ensure alignment

and potentially interoperability between both platforms. Ecosocial and PPA co-presented on monitoring and traceability during the learning event.

Major upcoming activities during the next reporting period:

- Continuing to align Visiprast to meet RSPO requirements.
- Engaging with official institutions such as the Ministry of Environment (MINAM) regarding forest and deforestation monitoring data and continuing discussions with the Padron Agrario platform to explore synergies with Visiprast.

DO 3. Finance and incentives unlocked to accelerate LCA and Deforestation-Free Production

[Research shows](#) that farms that incorporate LCA are viable, profitable and reduce pressure on forests and biodiversity, yet banks regularly perceive agriculture as a high-risk, low-return investment. The lack of access to finance prevents the adoption of LCA practices and can spur further encroachment on sensitive areas.

DO 3 aims to unlock finance and incentives for the transition to LCA through both jurisdictional and private-sector mechanisms. This includes supporting increase:

- Investments mobilized through financial mechanisms and incentives for LCA.
- The number of financial products and assets monitored for deforestation and biodiversity risks.

Pathway 3.1 aims to scale LCA by mobilizing public and private investments through existing financial mechanisms, public investment programs, and incentive-oriented solutions like Acorn and J-REDD+ program in Brazil. The States of Mato Grosso and Pará, with support of the Amazonia Connect team, are making progress towards J-REDD+ transactions to fund forest-friendly, low-carbon development, with substantial momentum and political pressure to advance J-REDD+ and demonstrate results by the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP30) in 2025. In Pará the team is supporting the development of the benefit sharing agreement (in line with the ART/ TREES Standard). In Mato Grosso, the team supports the J-REDD+ Working Group to prepare the state prepare for a potential Emissions-Reduction Payment Agreement, and a work plan to establish a public-private entity to transact J-REDD+ credits is being implemented based on the team's recommendations. In Colombia, the team updated the financial offer and investment plans for coffee agroforestry,³² and developed a clear business plan for low-carbon livestock, building on foundational work from Year 1. They are engaging with financial institutions, such as the Fund for Financing the Agricultural Sector (Finagro), Bancolombia, the Public Bank in charge of agricultural financing (Banco Agrario) and the Banking and Financial Institutions Association of Colombia (Asobancaria), to enhance LCA offerings. The team is also developing innovative tools, including a Fintech platform and a credit scoring tool for low-carbon livestock. Capacity-building initiatives such as training technicians and designing a school of sustainable finance to boost financial literacy (for coffee and livestock producers) are also underway. However, complex and dynamic market conditions in Caquetá can contract producers' appetite for credit due to high-interest rates and declining commodity prices, among other factors.³³ The team is also identifying public incentives through a detailed tax exemption analysis and reviewing PES and agricultural forestry incentives in the Department. In Peru, Solidaridad uploaded information from 700 producers into the Acorn Platform, and signed 15 agreements with coffee producer cooperatives and associations to onboard their members to the platform. They aim to onboard 3,000 new producers into the platform in the coming years. Regarding unlocking additional public investment packages to scale LCA, EII is currently working with three proposals that could unlock over USD \$3 million of public investment to scale LCA and DFP.

³² Regarding coffee, the sustainable credit offer was defined. However, current market conditions make the use of such financing difficult.

³³ For instance, the dairy sector in Colombia is currently facing a nationwide crisis, marked by a decline in dairy product consumption, plummeting producer prices, and heightened public order issues in various regions. The consortium team is closely monitoring the situation, and will communicate any further changes in context in bimonthly meetings, work plans and through other reporting formats. For more detailed information, refer to Chapter 6.1.

Pathway 3.2 focuses on increasing the monitoring of financial products for deforestation and biodiversity risks. Ultimately, this Pathway aims to strengthen environmental safeguards and ensure investments do not harm biodiversity nor contribute to deforestation. Working with a variety of stakeholders, including financial institutions and regional governments, the consortium team focuses on developing and applying innovative monitoring and Measurement, Reporting, and Verification (MRV) tools to better identify deforestation and biodiversity risks, and inform decision-making processes on investments in the financial entities and the agricultural sector in general. In Brazil, NWF continues to conduct outreach about the need to invest in and advocate for GTA-based monitoring and traceability tools. In Colombia, Solidaridad is collaborating with Finagro, Banco Agrario, and NGOs to explore deforestation monitoring for risk and credit analysis through the Green Finance Roundtable, advancing the use of monitoring and MRV in a pilot for low-carbon livestock farming in Caquetá and Meta. In Peru, EII developed a monitoring dashboard for the LED-R Strategy of San Martín, allowing for the tracking of jurisdictional sustainability metrics and policy impacts. Similar work is ongoing for Ucayali. For both jurisdictions, the team is conducting a technical assessment of potential safeguards for public investments in LCA, including deforestation risks, among others.

Regional reflections:

Activities under this DO focus on developing innovative pathways through which producers have improved access to financial resources that enable them to adopt LCA and DFP. The team's work also aims to increase the confidence of financial institutions to invest in LCA and DFP, while screening and monitoring for deforestation and biodiversity risks. Multiple approaches are being implemented in each country/commodity context. The Program aims to strengthen synergies between the private and public sector to improve access to credit and incentives for producers, as elements currently missing in the financial landscape to promote the adoption of LCA and DFP production methods. Notably, the Program identifies the most effective process across countries to unlock finance at a regional level using complementary approaches as there is no *'one size fits all'* approach.

The team's work highlights the need to provide adequate support through finance, rural extension and technical assistance to drive the transition to LCA and DFP, engaging diverse stakeholders throughout these initiatives to reflect diverse considerations. For instance, there can be significant opportunity costs to farmers if forgoing the legal clearing of their forests remains a powerful obstacle to the broad adoption of DFP. Especially in Brazil, where the legal restrictions on farm-level forest clearing are significant and actively enforced, making it challenging for farmers to adopt DFP due to significant opportunity costs. The concept of "sustainable intensification" of production is crucial for increasing production without further conversion of forests across the Brazilian, Colombian and Peruvian jurisdictions.

The finance work is not as developed as some of the other DOs, given much of the first year and a half has focused on conducting preliminary studies and building relationships, much of the learning is to come in the coming months and years. However, the importance of capacity building on financial literacy, opportunities (e.g., carbon markets,) and risk management is a common theme across countries, commodities and approaches. Training approaches, such as the soon-to-be-launched Sustainable Finance School in Colombia, will help facilitate capacity building at scale.³⁴

PATHWAY 3.1 INCREASED INVESTMENTS MOBILIZED THROUGH FINANCIAL MECHANISMS AND INCENTIVES FOR LCA

BRAZIL³⁵

Mato Grosso

Advances: Mato Grosso is interested in bringing to fruition J-REDD+ transactions to generate revenue to support its state-wide transition to forest-friendly, low-carbon development and a carbon-neutral state economy by 2035. Mato Grosso is keeping open options for realizing such transactions with two interested

³⁴ There is already interest through the Caquetá Regional Integration Strategy to use this school to train agricultural technicians in the Department.

³⁵J-REDD+ Programs are advancing in both Pará and Mato Grosso, building on the momentum of the COP30 announcement and preparations. While Mato Grosso is more advanced than Pará, both States are working towards complying with the ART/ TREES standards for jurisdictional REDD+ Programs. It is likely the J-REDD+ Programs will be ready in late 2024 or early 2025. Once Emission Reduction Payment Agreements (ERPA) are signed, then revenues from the sale of J-REDD+ credits could surpass \$100 million by the end of 2025 (depending on the specific conditions and results period outlined in the final ERPAs).

buyers: the LEAF Coalition and Mercuria, a Swiss energy trader. EII is a member of the Mato Grosso state working group to prepare for a potential Emissions Reduction Purchase Agreement (ERPA) with the LEAF Coalition. Mato Grosso's capacity to reduce state-wide emissions from cattle and soy expansion will depend upon effective engagement of the powerful beef and soy sectors, the main drivers of deforestation. EII is one of the few NGOs working in Brazil with access to the organizations of these sectors.

Over the last reporting period, the team has been advising Mato Grosso via discussions of the state REDD+ working group, informed by lessons learned from developing J-REDD+ programs in Tocantins³⁶ and Acre. EII also assisted the state of Mato Grosso in submitting the Architecture for REDD+ Transactions/ The REDD+ Environmental Excellence Standard (ART/TREES) Concept Note in December 2023. The Concept Note was prepared by the LEAF Working Group, in which EII participated and is actively involved in the discussions. In addition, EII completed and delivered a legal assessment of institutional options for transacting J-REDD+ credits. Based on this detailed assessment, EII gained the support of Governor Mauro Mendes to establish a public-private entity to conduct J-REDD+ transactions, including the sale of carbon credits on the voluntary market. The legal assessment led to developing a work plan to establish a new public-private entity to implement the J-REDD+ program in conjunction with the Secretary of Environment (SEMA) and the Produce, Conserve, Include Institute (IPCI).

Also in partnership with SEMA and IPCI, EII held the first workshop on J-REDD+ and the Mato Grosso Carbon Market in November 2023 with the participation of the agricultural sector, the government, institutions and NGOs. This builds on the findings from Year 1 that there was a need for further capacity building on carbon markets. Also, understanding the need to more effectively engage the farm sector in J-REDD+, and increase awareness of the the potential revenues that could flow to the sector as a share of J-REDD+ transactions and the need to develop a program to effectively use these revenues to support the sector's transition to forest-friendly, low-carbon production systems. EII engaged in individual dialogues with the agricultural sector, including actors including Breeders Association of Mato Grosso (ACRIMAT), Mato Grosso Meat Institute (IMAC), Brazilian Association of Soybean Growers (APROSOJA), Federation of Agriculture and Livestock of the State of Mato Grosso (FAMATO), and Mato Grosso's State Secretariat for Economic Development (SEDEC). EII will follow the process to approve the proposed law establishing the public-private JREDD+ entity, and continue to work with other state partners to ensure the continued work meets the requirements of the ART/TREES standard and LEAF Working Group.

Major upcoming activities during the next reporting period:

- Following the approval process of the law by creating the public-private entity to transact J-REDD+ credits, and continuing discussions with other state partners to ensure the work meets the ART/TREES standard requirements in the LEAF Working Group.
- Continuing discussions with SEMA and IPCI, and implementing the second J-REDD+ workshop in the first half of 2024.
- Continuing individual meetings with each entity that represents rural producers after approval of the law to create the public-private J-REDD+ entity.

Pará

Advances: The state of Pará is also interested in establishing an ERPA that generates revenues for its state-wide strategy to transition to forest-friendly, low-carbon rural development that could help fund the expansion of LCA practices. The LEAF Coalition is interested in buying Pará's verified J-REDD+ credits, but the state has not yet decided who it will sell to. Nonetheless, with COP30 scheduled in Belem, there is a strong momentum to advance with J-REDD+ Programs in both Pará and Mato Grosso.

In November 2023, EII partnered with SEMAS to support the J-REDD+ program involving the livestock sector. In February 2024, EII began work in Pará by holding meetings with SEMAS and partners in the Pará State J-REDD+ Working Group to discuss upcoming actions and where EII could support the state. The team will support the government in complying with the ART/TREES Standard, including the benefits sharing

³⁶ Tocantins is the most advanced J-REDD+ Program in Brazil. Mercuria signed an ERPA with Tocantins State on June 5, 2023, where EII was technical partner to the State of Tocantins for this historic agreement.

agreements,³⁷ and will bring lessons from the J-REDD+ programs in Tocantins and Acre to the state REDD+ Working Group.

In March 2024, EII established a collaboration with the Federation of Agriculture and Livestock (FAEPA) and the Agriculture Agency (SEDAP) of Pará to engage the agricultural sector in the REDD+ agenda. Along with various stakeholders, EII also participated in the REDD+ Information Seminar for the State of Pará organized by the State Government and partners.

Throughout the reporting period, EII observed a lack of knowledge about the REDD+ system and the carbon market in the agriculture sector. The informative seminar held by the state government and partners made it possible to understand the amount of dialogue needed with all sectors to advance the J-REDD+ agenda and the establishment of standardized communication is needed.

Major upcoming activities during the next reporting period:

- Finalizing the EII work plan within Para and engaging with the agriculture sector,
- Accompanying the REDD+ Working Group and supporting the state government in complying with the ART/TREES standard, including the development of the benefits sharing agreement. This agreement will ensure that any revenue generated through the sale of J-REDD+ credits will be equitably distributed to stakeholder groups and sectors, and its development is at the specific request of the government and J-REDD+ working group.
- Developing a shared work plan with FAEPA and SEDAP to involve the livestock sector in developing a statewide forest incentive program in Pará.
- Holding meetings with leaders and institutions representing rural producers in Pará to address critical knowledge gaps about the potential benefits and opportunities of a state J-REDD+ program, and the importance of actively participating in its design, including the development of farmer incentives.
- Holding at least one workshop or seminar by September 2024 with Pará's productive sector to clarify the entire process of the J-REDD+ program and how the sector can benefit.

COLOMBIA

Advances:

Credit offerings and financial education for smallholder producers

During the last reporting period, the team updated the financial offer and investment plans for coffee agroforestry,³⁸ and developed a clear business plan for low-carbon livestock. This included updating financial cost figures and credit conditions in the coffee and livestock financial models. This work was possible due to the important foundational work conducted in Year 1 to better understand the credit offerings and investment requirements for coffee and dairy producers looking to transition to LCA from conventional practices.

Solidaridad and EII met with the Banking and Financial Institutions Association of Colombia (Asobancaria), the Fund for Financing the Agricultural Sector (Finagro), Bancolombia, and the Public Bank in charge of agricultural financing (Banco Agrario). With these entities, the team initiated joint work to increase the financial offer for LCA production processes and the development of a standard deforestation monitoring methodology (the latter under Pathway 3.2).

The team continues to support the development of a cloud-enabled Fintech tool that allows user registration, risk profiling, and the generation of credit offers that best suit producers' needs. In close collaboration with Nestlé, Solidaridad advanced with the definition of the methodology and the overall design of the credit scoring tool for low-carbon livestock for Nestlé suppliers.

Building on all these advances, Solidaridad started a low-carbon livestock financing pilot with Banco Agrario, which aims to enable new lines of sustainable financing and incorporate a deforestation monitoring process for dairy producers in Caquetá. The team also developed a work plan on blended finance for small livestock producers, where the team defined the financing model with Nestlé and its allies (BAC and Utrahuilca).

³⁷Benefit sharing agreements ensure the fair and equitable use of the proceeds from REDD+ revenue, and in this instance must be developed in accordance with the [ART/ TREES standard](#). The Government of Pará specifically requested EII's support with this as it is a key element that is required in order to advance the J-REDD+ Program and be prepared for an ERPA.

³⁸ Regarding coffee, the sustainable credit offer was defined. However, current market conditions make the use of such financing difficult.

However, high interest rates and the current prices of milk and coffee have generated a contraction in the demand for credit. This situation may generate low use of credit lines during this year. The team is closely monitoring the situation and maintaining regular communication with key actors, including Banco Agrario and Nestlé, among others.³⁹

Another important area of work for the team under Pathway 3.1 is capacity building. The team began training 14 technicians (3 women) specialized in silvopastoral systems and livestock on financial knowledge and appropriate methodologies for identifying and reducing investment risks. Additionally, the team started with the design of the school of sustainable finance, which aims to strengthen financial capacities among coffee and dairy farmers. The school will be tailored to their specific needs and is expected to become operational by September 2024.

Public incentives at the municipal and departmental level

Under Pathway 3.1, EII is leading in supporting municipal and departmental governments to provide incentives (financial or non-financial) to support producers transitioning to LCA. Building on the work they began in Year 1 of the Program, EII incorporated information on deforestation from 2010 to 2022 on titled land in the municipality of Belén de los Andaquies, where the detailed tax exemption analysis is being conducted.⁴⁰ Additionally, EII initiated a review of other instruments in the Department of Caquetá, such as Payments for Environmental Services (PES)⁴¹ and Agricultural Forestry Incentives (IFA). EII's team is currently analyzing these factors. One key issue identified is that land tenure formalization in the region limits the access/effectiveness of these instruments.

Major upcoming activities during the next reporting period:

- Implementing the co-created work plan and advancing towards the development of blended finance for Nestlé's milk suppliers, which includes definition of credit lines, participation of allies (Nestlé, BAC and Utrahuilca), risk profile and coverage mechanisms (if necessary).
- Continuing with the detailed assessment of tax exemptions in the municipality of Belén de los Andaquies and the review of other PES mechanisms at the department level to identify potential incentives for LCA in target locations/ ecosystems.

PERU

In Peru, Pathway 3.1 focuses on unlocking incentives for LCA through linking coffee producers to the Acorn platform, and working with regional governments to design public investment programs and financial incentives for LCA.

Advances:

Acorn in San Martín

Solidaridad collected and uploaded information from 700 producers onto the Acorn platform. So far, 374 producers who have Cessions in Use for Agroforestry Systems (CUSAF) have been included (out of 700

³⁹ In light of these complexities and dynamic market conditions, our work has focused on mitigating risks in both the demand and supply of credit, including but not limited to: i) Seeking alliances between input suppliers and local organizations (producer associations and cooperatives) to achieve discounts for volume purchases, so that producers' operating costs are reduced; linking impact investment funds that can lend resources to local organizations, so that they can cover their working capital costs and improve their profitability margins; iii) supporting anchor companies (e.g. Nestlé) in the development of credit models, which allows them to better understand the risk profiles of the producers they work with; iv) accompanying second-tier entities that offer resources for sustainable transformation, so that they can simplify their requirements, while reducing interest rate levels, seeking to encourage credit demand; v) coordinating with actors in milk supply chains (buyers, first and second tier financial entities, etc.) for the creation of blended finance mechanisms, so that, if a producer requires credit, these organizations know which conditions best fit the financial reality of the producers; and vi) designing risk coverage mechanisms that encourage an increase in supply under conditions of lower interest rates and with operational requirements much more adjusted to the reality of the producer. Note: Some barriers cannot be easily eliminated (e.g. inflation, low prices), and there is a need to coexist with them and seek an adjustment in the supply to adjust to these new realities.

⁴⁰ In Year 1, EII conducted an analysis of tax statutes in 16 municipalities to better understand the scope of existing exemptions, and modular investments for scaling LCA, DFP and incentivizing biodiversity conservation. The municipality of Belén de los Andaquies was selected then for a deep dive analysis, to identify potential incentives for LCA clusters in strategic ecosystems /locations. For more detailed information, refer to the Year 1 Annual Report.

⁴¹It should be noted that CO Activity 3.1.7 "Integration of LCA and/or DFP clusters located in Caquetá with payment for environmental service initiatives (payments for carbon reduction/sequestration, payments for protection of high conservation value areas, payments for improving environmental management, such as water and waste services, etc.) " will be canceled for this year. In Caquetá there are no LCA and/or DFP Clusters with PES initiatives. Therefore, Solidaridad will support EII with the review of potential PES instruments (e.g. water PES).

producers) as a result of an alliance with the Regional Environmental Authority (ARA) of San Martín, which provides an additional incentive for producers who have this concession.⁴²

Likewise, with the objective of expanding the impact of the incentive provided by Acorn, Solidaridad signed 15 agreements with coffee producers' cooperatives and associations in Peru to onboard their members to the platform. The initial estimate is that these agreements can increase the number of producers onboarded to Acorn by nearly 3,000 new producers registered on the platform in the upcoming years.

With growing interest in Acorn and the establishment of the enabling framework that has facilitated scaling in Peru (building on key progress in Year 1 of Amazonia Connect), the team would like to expand Activity 3.1.4 “Scaling up of the Acorn model in San Martín” to also conduct a pilot for the implementation of the Carbon Farming Academy training program on carbon credits, as it is a tool that can effectively support the onboarding of new producers to the Acorn platform. Through this addition, the team plans to train 60-80 people through this program.⁴³

Public investment programs and incentives for LCA and DFP in San Martín and Ucayali

During the reporting period, EII prepared two information briefs on the Ucayali and San Martín LED-R strategies, focused on the programs developed by each region. These briefs will be distributed to key stakeholders to disseminate the scope of the strategies and the investment priorities for implementing them. Also, the team developed three proposals to finance LCA in San Martín and Ucayali. The first proposal is a project co-designed with the MIDAGRI to promote LCA in the Amazon, San Martín and Ucayali regions and includes: 1) progression with the registration and geo-referencing of coffee, cocoa and oil palm producers' plots, 2) implementation of GESI adaptations for the use of digital applications for deforestation-free agricultural production, and 3) design of regional incentives for deforestation-free production. The second proposal focuses on activating Amazon Regional Development Funds (FONDESAM) Ucayali. To achieve this, meetings were held with the Development Finance Corporation (COFIDE, *Corporación Financiera de Desarrollo S.A.*) and the Regional Government. A work plan was developed to reactivate the FONDESAM and thus open a public investment portfolio to reduce the risks of the formal agricultural financial sector in the Regions. The third proposal is focused on San Martín and seeks to design a new public investment program to implement the roadmap for LCA mentioned in Pathway 1.3. The team expects that the three proposals could unlock more than USD \$3 million of public investment.

Major upcoming activities during the next reporting period:

Acorn:

- Onboarding new producers to the Acorn platform through the 15 agreements signed.
- Signing of new cooperation agreements between Solidaridad and producers associations and municipalities.
- Conducting a pilot for the implementation of the Carbon Farming Academy training program on carbon credits as a step for onboarding new producers to the platform.

Public Investment Programs:

- Meeting with the Coalition for Sustainable Production (CSP) board to identify the structure and responsibilities of regional chapters (May 2024).
- Holding meetings with local stakeholders to design new investment programs in San Martín (May 2024).
- Holding meetings with COFIDE and the Ucayali Regional Government to implement the FONDESAM finance mechanisms (June 2024).

PATHWAY 3.2 INCREASED NUMBER OF FINANCIAL PRODUCTS/ASSETS MONITORED FOR DEFORESTATION AND BIODIVERSITY RISKS

BRAZIL

⁴² The additional incentive is that in addition to having CUSAF, which formalizes the land title for small producers implementing agroforestry systems, these producers are then also able to access the Acorn Platform.

⁴³ Complementary support is also being implemented through the Pathways to Prosperity Program, however this funding in Amazonia Connect will be complementary and help fill a gap in capacity development.

Advances: NWF engaged with Santander, which led to the development of the Febraban rules (aligned with the GTFI Good Practices) about progress on implementation and what will be needed to implement individual animal traceability. NWF plans to use the new report on individual animal traceability to engage with Febraban members and has been discussing outreach to international investors with Ceres.

Major upcoming activities during the next reporting period:

- Conducting outreach about challenges and progress towards implementing the Febraban rules with investors in Brazil.
- Conducting outreach about the need to continue investing in and advocating for GTA-based traceability tools (including Visipec), using NWF's new report on individual animal traceability to explain it will take several years before an alternative option is available.

COLOMBIA

Advances: In Year 1, Banco Agrario and the team agreed to develop a pilot on livestock farming in Caquetá and Meta. The goal is to develop an environmental risk management methodology based on a deforestation analysis model that would enable efficient monitoring and control parameters of environmental risks. In February 2024, Solidaridad started participating in the Green Finance Roundtable,⁴⁴ in a working group with Finagro, Banco Agrario and some NGOs interested in these issues to explore the use of deforestation monitoring for risk and credit analysis. This alignment allowed the team to advance the use of MRV in a pilot grant for low-carbon livestock farming in Meta and Caquetá. Solidaridad and EII met with Asobancaria, Finagro, Bancolombia, and Banco Agrario to develop a standard deforestation monitoring methodology, which the team hopes to use to support monitoring and MRV in a pilot for low-carbon livestock farming in Caquetá with Nestlé. A technical working group on deforestation monitoring for financial entities has been established to support this process, where the main public financial entities in charge of rural financing and allied NGOs (Asobancaria, Finagro, BAC, EII, TFA, Climate Focus, GFW, etc.) participate in the table. The pilot and work in Amazonia Connect linked to deforestation monitoring will be closely aligned with the work of the technical working group.

Major upcoming activities during the next reporting period:

- Defining the standards in information, layers and regulations to be used in the deforestation monitoring process by Colombian financial entities.
- Defining the scope of the pilot in deforestation monitoring with the Agrarian Bank and its scope in terms of financial offer, areas and profile of milk producers.
- Continuing to participate in the technical working group on deforestation monitoring
- Advancing with the pilot for an environmental risk monitoring mechanism.

PERU

Advances: EII developed a monitoring dashboard for the LED-R Strategy of San Martín, building on the monitoring protocol of Year 1. This dashboard, shared with USAID, allows the monitoring of jurisdictional sustainability metrics of the San Martín region and includes the goals and indicators of public policy that measure impacts of the LED-R Strategy. The proposed platform was validated with the Regional Government of San Martín and the Regional Direction of Planning and Budget (*Gerencia Regional de Planeamiento y Presupuesto*). It will be made available to local stakeholders in the upcoming months. Likewise, in Ucayali, the dashboard is under construction in coordination with the Regional Government. Building on this progress, a technical report and a set of safeguards for LCA public investments is underway. These will include the safeguards and GESI pathways identified for the LED-R Strategies (gender, environmental impact, indigenous people, among others).

⁴⁴ The Green Finance Roundtable, supported by EII and TFA, among others, became operational in Year 2 of Program implementation. It aims to serve as the formal liaison agency between various stakeholder groups within the financial sector that intend to enhance the provision of services tailored to sustainable production processes. Solidaridad and EII are participating in the roundtable, which will serve as an important platform to inform the work under this pathway, support the team to generate recommendations for advancing and expanding sustainable financial products and monitoring and MRV solutions, and further facilitate information sharing and raising awareness on the importance of employing deforestation and biodiversity monitoring and/or control mechanisms within financial institutions.

Major upcoming activities during the next reporting period:

- Developing the Ucayali monitoring dashboard and validating it with the Ucayali Regional Government
- Sharing the San Martín and Ucayali monitoring dashboards with local key stakeholders
- Completing two reports about MRV options for LCA, with feedback of key stakeholders
- Developing two technical proposals to increase environmental sustainability and include deforestation-free safeguards in regional public investments

DO 4. Research turned into actionable knowledge for supply chain stakeholders to reduce deforestation and improve biodiversity conservation

Amazonia Connect's work will inform and be informed by research that monitors and assesses the potential reach of supply chain and jurisdictional approaches to help avoid deforestation and forest degradation, contribute to climate change mitigation, and promote biodiversity conservation. This will help strengthen public and private sector strategies and jurisdictional approaches to scale DFP and biodiversity conservation.

DO 4 focuses on developing applied research that:

- Strengthens private sector strategies to reduce deforestation and improve biodiversity conservation.
- Identifies synergies between farm, supply chain and jurisdictional approaches to scale DFP and biodiversity conservation.

Research by UW during the first half of Year 2 has yielded a number of results that can be used by Program partners and other stakeholders to support improved and expanded implementation of deforestation-free sourcing policies. In Brazil, this included research methods developed during Years 1 and 2 being used by Brazilian authorities to strengthen protection of indigenous territories from encroachment for cattle ranching activities. UW also produced updated analyses of threats to protected areas, evaluated the sizes of properties associated with cattle activities and deforestation, and assessed the role of forced labor in cattle supply chains in Brazil. In Colombia UW advanced analyses of cattle transaction data to develop a deeper understanding of the structure of cattle supply chains. In Peru, the team began an analysis of deforestation on palm properties and their eligibility for inclusion in different DFP supply chains.

Regional reflections:

The need for increased understanding of socio-environmental risks in commodity supply chains and identification of multi-scalar policy solutions is becoming ever more urgent in the Program study region, as most of the products covered by the Program are covered by the EUDR and other due diligence policies being developed for global trade of agricultural commodities, and as state and local governments seek to develop comprehensive programs that contribute to national climate and forest conservation goals and capture resources for actors that need them to effectively participate. In all three countries, these dynamics are overall leading to increases in the transparency of data that can facilitate additional research on these topics, though there are some examples of rollbacks in access to important data. The upcoming Convention on Biological Diversity (CBD) Biodiversity Conference of the Parties, to be held in Colombia, has also increased interest in new knowledge that can contribute to the conservation of habitats and species.

At the regional level, there are also opportunities to enhance the mutual benefits of harmonizing supply chain and jurisdictional approaches to reducing deforestation. This will require reconciling differences among metrics of progress. The success of jurisdictional programs is usually measured collectively across a wide range of social and environmental indicators, whereas the success of supply chain approaches is usually measured at the level of individual farms or companies. Jurisdictional and supply chain approaches are converging at the local (municipal) level in Peru via the implementation of LED-R strategies at local scales and new sources of public finance become available for LCA/DFP production at farm and supply chain levels, supporting producers' compliance with corporate sourcing policies and emerging regulations for the import of high deforestation risk agricultural commodities. A similar process is underway in the target jurisdictions in Colombia. However, they are far less advanced in the development of specific local policies in Caquetá and development of a LED-R strategy in Meta. In Brazil, jurisdictional support is focused on developing J-REDD+ programs to generate the revenue needed to support farmers' compliance with environmental regulations

and provide incentives for on-farm forest conservation. J-REDD+ program design and implementation will also help farmers comply with corporate deforestation policies and international regulations. An analysis of these processes in various stages of development across regions will improve our understanding of the current opportunities, challenges, and gaps to better align jurisdictional and supply chain approaches in the Amazonia Connect regions and beyond. In year 3, EII plans to further develop the regional analysis of harmonized jurisdictional and supply chain approaches in close collaboration with consortium partners. This will include the current state, gaps and challenges, and examples of success documented in the studies that comprise activities under Pathway 4.

PATHWAY 4.1: APPLIED RESEARCH THAT STRENGTHENS PRIVATE & PUBLIC STRATEGIES TO REDUCE DEFORESTATION & IMPROVE BIODIVERSITY CONSERVATION

A. DEVELOP APPLIED RESEARCH THAT STRENGTHENS PRIVATE SECTOR STRATEGIES TO REDUCE DEFORESTATION AND IMPROVE BIODIVERSITY CONSERVATION.

Advances: UW's research in Brazil during the first half of Year 2 has yielded several key findings that can be used to strengthen efforts to reduce deforestation and improve biodiversity conservation. UW completed and submitted for peer-review and eventual publication an analysis that shows how properties with owners placed on the Brazilian "dirty list" of slave labor infractions launder cattle into the same supply chains that they normally sell into, including those of major meatpackers. UW has discussed these results with Brazilian authorities and major meatpackers to highlight the need to address this issue and potential solutions. UW's analyses of property sizes related to deforestation and cattle production shows that the majority of deforestation takes place on larger properties, underscoring the importance of strategies to reduce deforestation that are appropriate for various types of producers, and analyses of protected areas under threat show how cattle related threats are concentrated in a handful of units. Methods developed for this analysis and a paper published under Amazonia Connect in Year 1 are being used in support of investigations led by the Federal Public Prosecutors Service (MPF) to address encroachment in Indigenous Territories by cattle ranchers.

UW's research in Colombia, based on Animal Movement Guides (*Guías Sanitarias de Movilización Interna de Animales*), has led to several key findings, including the identification of the municipalities and slaughterhouses associated with direct and indirect sourcing of cattle from high deforestation municipalities, and led to new insights into the key role that "concentrations" (fairs, auctions, and other such events and venues that bring together groups of cattle to be bought and sold in high numbers) play in the supply chain. These results can help inform ongoing efforts in Colombia to implement monitoring and traceability as required by the ZDAs, as they provide critical details about the makeup of the upstream cattle supply chain to signatories who are largely operating downstream of the slaughterhouse, or at the dairy or further downstream of it, in these supply chains. UW is writing up these results in both a report and a scientific paper. Ecosocial and UW also participate in the technical groups within the ZDAs and the Ministry of Agriculture in order to highlight key considerations and potential solutions.

UW's research in Peru shows how different deforestation map products agree and differ when evaluated at the property level in Ucayali's palm production landscape. These results can help inform efforts by stakeholders in the sector as they pursue RSPO certification and comply with EUDR requirements.

Major upcoming activities during the next reporting period:

- Completing and submitting three papers in progress: "Large properties responsible for most deforestation in Brazil's Legal Amazon," "Property Registration, Cattle Ranching and Deforestation Cycles Threaten Protected Areas in the Brazilian Amazon," and "Mapping supply chains in Colombia's cattle sector to protect forests and páramos and strengthen implementation of ZDAs."
- Drafting a paper on the palm sector in Peru, tentatively titled: "Assessing compliance with the EUDR and RSPO in Peru's palm sector: evaluating disagreements between deforestation datasets."
- Disseminating completed research products and, when appropriate, interim results, to consortium partners and stakeholders and the public.

- Exploring potential opportunities to attend the Biodiversity Conference and, if possible, present work under AC at an event at the US Pavilion.

B. IDENTIFY SYNERGIES BETWEEN FARM, SUPPLY CHAIN AND JURISDICTIONAL APPROACHES TO SCALE DEFORESTATION-FREE PRODUCTION AND BIODIVERSITY CONSERVATION.

Advances: In Year 2, work under this Pathway 4.1 B is being implemented in Colombia, Peru and at the regional level, which builds on EII’s work within Pathways 1.3, 3.1 and 3.2, as well as the work of the other consortium partners to better understand the synergies between different approaches to scale DFP.

In Colombia, EII is making progress in identifying opportunities for synergy with the Departmental Secretariat of the Environment and Agriculture in Caquetá to harmonize the departmental development plan indicators with LCA principles, and in Meta through engagement with the regional government to compile multiple programs that foster LCA in an integrated Departmental LED-R strategy. Based on this important progress and the progress described under Pathways 1.3 and 3.1, the team aims to develop a report that describes the main opportunities to harmonize jurisdictional and supply chain strategies in the Program’s target regions in Colombia.

In Peru, progress under other DOs is helping to inform research within this Pathway. Overall, the team is progressing toward adapting and implementing regional LED-R strategies at local (municipal) levels. The LED-R strategies are regional public policy instruments that define objectives and a roadmap to implementation to reduce deforestation and promote rural development at the Regional level. Through the Amazonia Connect Project, Regional goals are being adapted to the municipal level and the actions defined in the strategy to reduce deforestation and increase sustainable production at this territorial scale are being adopted. To this end, the project team analyzes the appropriate goals for each municipality, identifies the key agricultural chains and the measures needed to guide them under the LCA model, and, together with the teams in each municipality, validates them with key local stakeholders. Once the preliminary proposal has been validated, a municipal strategy (policy document) is formulated and proposed for approval by the municipal councils. This process involves working with local governments and stakeholders to create specific action plans to promote and incentivize DFP/LCA across cocoa, palm oil, and coffee supply chains through leveraged public finance and by creating public policy that supports local LED-R strategies and objectives. The LCA roadmaps and municipal LED-R strategies developed under Pathway 1.3 will provide the foundation for the team to identify synergies between farm, supply chain and jurisdictional approaches and develop the associated reports planned under Pathway 4.1 that will focus on describing the main opportunities for harmonizing jurisdictional and supply chain strategies in each jurisdiction. Outlines for two policy briefs (one for San Martín and one for Ucayali) are under development, describing how jurisdictional and supply chain approaches could harmonize and generate synergies to reduce deforestation.

At the regional level, EII has developed an outline and summary that forms the basis for an upcoming blog and development of a peer-reviewed academic journal article with the tentative title: *Sustainable, low-carbon, nature-positive food production systems are possible through a blend of jurisdictional and supply chain approaches*. The outline emphasizes that long-term sustainability of food production systems in tropical forest regions can be achieved through a blend of strong public policies, research and innovation, rural extension and technical assistance, and strong market signals. Jurisdictional approaches feature a strong role for governments and public policies, and convening power to bring together multiple stakeholders to agree on, and pursue sustainability objectives across large territories. Supply chain approaches leverage the power and influence of the private sector to support sustainable practices and fund their implementation. Furthermore, jurisdictional programs can deliver the support needed to farmers to comply with market-driven sustainability policies and standards. Over time, a full harmonization of jurisdictional and supply chain metrics is needed, as jurisdictional metrics are currently measured collectively (e.g., social and environmental metrics measured across whole territories) whereas supply chain metrics are generally measured individually against certification or specific sustainability standards.

Major upcoming activities during the next reporting period:

- Developing a blog for publication on the EII website, promoted and linked through social media.

- Preparing a manuscript for peer-reviewed publication, highlighting the opportunities and challenges of harmonizing jurisdictional and supply chain approaches to deforestation-free and low-carbon agriculture.
- Developing three reports describing the main opportunities to harmonize jurisdictional and supply chain strategies. One report will focus on Caquetá and Meta in Colombia, and two reports will focus on San Martín and Ucayali, respectively.
- Developing two policy briefs, one per region for San Martín and Ucayali, outlining how jurisdictional and supply chain approaches could harmonize and generate synergies.

Program progress per the approved indicators

In alignment with the [Monitoring, Evaluation and Learning \(MEL\) Plan](#), the only indicator that is reported semi-annually in GNDR-2 *“Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources”*. Other indicators are reported either annually or in Years 3 and 5.

The results for GNDR-2 are presented under Pathway 1.1, and the following Google sheets have been updated to include the semi-annual results for GNDR-2:

- [This file](#) comprises an aggregated performance indicator tracking sheet for the whole program (sheet *“Revised Performance (ALL)”* and aggregated results for Colombia (sheet *“Colombia Performance”*)
- [This file](#) presents the disaggregated results.

Overall, the project reached 2,262 producers (28% women), increasing from 991 producers (20% women) at the end of Year 1. By the end of Year 2, the team aims to 2,991 producers, of which at least 16% should be women.

4. Cross-cutting themes: progress and results

This chapter highlights the progress and results achieved in cross-cutting themes.

4.1 Gender equality and social inclusion (GESI)⁴⁵

The team continues to advance activities that strengthen gender equality and social inclusion (GESI) within Amazonia Connect, building on the important progress made in Year 1.

At the program level, the team progressed with drafting the Program-level GESI Assessment. Gender focal points and representatives from each consortium partner contributed to the draft. An early draft of the report was shared with the AOR and USAID's Gender, Environment Climate and Energy Team within USAID's Gender Equality and Women's Empowerment Hub in early March, where the structure and content were well received. Given the timing close to public holidays, the learning event in Peru, and the semi-annual report, the team aims to finalize the report in early May to ensure sufficient time for the consortium to review the final complete version. Once the report is finalized, the team will share the final version with the Gender Equity and Women's Empowerment Hub, and explore options to collaborate with them on gender, including sharing lessons learned and good practices for GESI within Amazonia Connect through communications products. A virtual learning session on GESI will be organized for the consortium in Q3 of 2024, which will provide space for teams to discuss lessons learned and strengthen collaboration on GESI.

While gender and social inclusion are considered cross-cutting throughout all Development Objectives and Pathways, below are some examples of the specific GESI-focused advances during the reporting period:⁴⁶

LCA: Overall, the program aims to engage 5,100 producers, of which 1,052 (21% of producers reached) will be female producers. So far the Program has reached 622 female producers across countries and supply chains. Supporting GESI within LCA, Solidaridad promotes [Inclusive Technical Assistance \(ITA\)](#), where trainings have been conducted for field teams in Brazil, Colombia and Peru. Other advances related to strengthening GESI in the team's LCA work includes:

- In Brazil, there is ongoing implementation of ITA, with clear GESI strengthening measures involving 700 families. Within trainings on monitoring the team has integrated the theme "Women and Young People" to identify the demands and facilitate the engagement of this group.
- In Colombia, gender and youth assessments conducted for [livestock](#) and [coffee](#) supply chains in Caquetá were finalized. The results of the [Study on Motivations](#) of Livestock Farmers in Caquetá and the Gender Study were presented to technical assistants from Solidaridad, Nestlé, and Servisostegan. Nestlé is anticipated to incorporate the recommendations stemming from these studies into their gender and youth initiatives. The findings from the study for coffee will be disseminated to COOCAFICA, field technicians, and other key stakeholders during the upcoming reporting period. Nonetheless, the team progressed with providing tailored trainings to women and youth, including training 75 young people (41 women) on topics related to business plan development and entrepreneurial skills. In addition, 50 women have been trained through the Self-Leadership School for Women on leadership, self-recognition, and nurseries.
- In Peru, Solidaridad uses the [Gender Action Learning System \(GALS\)](#) for Palm to improve gender equality and social inclusion at the farm, household, and community level while scaling LCA in palm oil and coffee supply sheds. For both coffee and palm, teams have been trained in ITA.
- Focusing on palm oil, the team advanced with the Oil Palm Gender and Social Inclusion Analysis, which is the first GESI analysis for smallholder oil palm producers in Peru. Preliminary results were presented at a workshop in Ucayali on March 11th with the Ucayali Palm Oil Technical Roundtable,

⁴⁵ Note: This section focuses on GESI-focused activities outlined within the Year 2 Work Plan. Additional information on the development of the GESI-related operational requirements, including the program-level GESI assessment for Amazonia Connect and the Indigenous Peoples Consultation Plan, is included in the Chapter on Operations and Management (Chapter 6.4).

⁴⁶ Note: Early recommendations from the GESI Assessment were already taken into consideration within the Year 2 Work Plan (see also Chapter 4.1 of the Year 2 Work Plan).

and participants validated the methodology, early findings and recommendations. The study will be finalized in late April. Early results are insightful, and gave the team pivotal insights to adjust the gender and social inclusion intervention on the field.⁴⁷ A short version of the study will be published and presented at a learning event in Lima, during the next reporting period, with key actors from the palm oil sector and through the activities organized by the Sustainable Palm Oil Driving Group hosted at the Coalition for Sustainable Production.⁴⁸

To facilitate inter-team learning and exchange, Solidaridad's Regional GESI Specialist from South America and the GESI and MEL Specialist from Solidaridad's coffee Program in Peru visited the Solidaridad Team in Colombia from February 5-9, 2024 to see their work first-hand, and share experiences to facilitate a consistent approach to promote gender transformative impacts.⁴⁹ Such learning will be important to ensure consistency across countries, but also facilitate regional learning.

Monitoring and Traceability

NWF organized a workshop with the meatpacker Masterboi for 100 producers and several representatives of producers were female. The lead workshop organizer for Masterboi, sustainability coordinator and partnership manager, is female. Her active engagement and clear expertise helped encourage other women present to feel comfortable joining the discussion. The aim of the workshop was to explain market demands for traceability and monitoring. The information will be important for planning and sales on ranches and there are increasing numbers of female farm managers- there have not been any specific efforts to encourage female participation, but the team will consider this in the future.

The Program-level GESI Assessment also outlines how Visipec and Visiprast integrate datasets that can support the identification of environmental and social risks (e.g., identifying sourcing from deforested areas, protected areas or indigenous reserves, among others). Program research, monitoring, and improved transparency through the use of the Visiprast and Visipec tools continues to help inform (and potentially) prevent sourcing from sensitive areas, including indigenous reserves.⁵⁰ As part of their research this year, using GIS-based analysis,⁵¹ UW will evaluate deforestation and cattle production going on private properties within Protected Areas and Indigenous Lands in Brazil (specifically in Pará).

Jurisdictional approaches

In alignment with the Program-level GESI Assessment, EII Peru applies strategies to increase rural women and youth participation in workshops, meetings and webinars. This includes setting a gender participation quota in each event (often at least 30%), evaluating the active participation of women and youth, making logistic adaptations to facilitate women's attendance, and ensuring GESI considerations are reflected in the technical assistance provided. For example, through the active engagement of women in their work in Peru, EII supported the inclusion of goals for the inclusion of rural women in the LED-R strategies of Moyobamba, Rioja and Neshuya, including setting quotas for women beneficiaries, and set a mandate to adapt the extension approaches to better reach for rural women in an approved irrigation investment program.

During the next reporting period, the team aims to hold focus groups with rural women and youth to obtain their recommendations for improving public policies and local incentives for low-emission rural development

⁴⁷ For instance reinforcing the importance of addressing sexual harassment in organizations. The study also found women were more likely to hold land than men, however their plots tend to have fewer hectares and women have less production capacity. The full report provides additional insights into other challenges identified, and key recommendations to strengthen gender equality and youth inclusion.

⁴⁸ Note, the learning event will be hosted by another Project (Pathways to Prosperity), however the team will use this opportunity to share the interesting results and recommendations from the study and will ensure the presentation is compliant with the Amazonia Connect Marking, Branding and Communications Plan.

⁴⁹ At the beginning of the week, the GESI specialists visited coffee projects in Caldas where Solidaridad is promoting leadership and empowerment of women, as well as entrepreneurship with young people, all part of coffee-producing families. Towards the middle of the week they visited the National Federation of Coffee Growers of Colombia and RGC Coffee Inc. to learn about the efforts of second tiered producer organizations and the private sector in closing gender gaps framed in gender and sustainability policies. Finally, by the end of the week the specialists were in Caquetá with the technical and coordination teams of the Amazonia Connect's Livestock Program and Nestlé, to present the results of the Gender Analysis of the livestock supply chain, where the first training in ITA was also undertaken for the team.

⁵⁰ More information about the tools used in each country, and the datasets related to Indigenous peoples and their territories is provided in the Program-level GESI Report.

⁵¹ This will involve mapping property boundaries, forest/deforestation, Protected Areas, Indigenous Lands, and GTA transactions.

designed by the Program. These recommendations will be socialized with key stakeholders in the jurisdictions where the Program is implemented, and will serve as input to propose policy goals and specific interventions with appropriate GESI elements in the LED-R Strategies for Moyobamba and Rioja. Similarly, using these results, the Program team will provide technical assistance to the regional Government of San Martín to improve the design of public incentives for LED-R, including GESI considerations.

In Colombia, the consortium aims to enhance the participation of women, youth, and Indigenous peoples in the development and implementation of LED-R strategies, promoting inclusivity through collaboration with local stakeholders and multi-stakeholder bodies. In Caquetá, efforts include strengthening institutional capacities on gender equality and highlighting women's roles in sustainability. Within the Caquetá Climate Change Sub-Node, EII engages with the Departmental Secretary of Environment and Agriculture to ensure that the calls for proposals maintain an inclusive approach. In Meta, the team is conducting preliminary studies and engaging diverse stakeholders to inform LED-R strategy design, prioritizing inclusivity in decision-making processes and promoting the involvement of marginalized groups. The certified course in "Formulation of sustainable projects for low-emission development" offers participation opportunities for women and young people, promoting gender equality and the inclusion of demographic groups. This opportunity is supporting local agricultural organizations, emphasizing that of the two quotas assigned to each one, at least one is expected to be awarded to a woman or a young person.

4.2 Capacity strengthening

Capacity strengthening and training are core elements of Amazonia Connect. The [Year 2 Training Plan](#) has been updated to reflect the progress made over the last 6 months. Some highlights include:⁵²

Related to LCA, in the first half of Year 2, Amazonia Connect provided training and technical assistance to 2,262 producers for LCA (622 women). Examples of specific training sessions delivered by the Program so far this year includes:

- Individual and collective technical assistance and training of beneficiary families, farmers, and technicians in Brazil to adopt LCA.
- Training and capacity building of producers in Colombia through the Livestock School and Agrolearning, focusing on reducing burns and the use of agrochemicals. The Livestock School has been a great resource for engaging youth and training them to become community leaders.
- Training for women in Colombia's coffee sector through the Self-Leadership School on leadership skills, self-recognition, and nurseries.
- Training for youth beneficiaries in Colombia through the Entrepreneur School to strengthen their capacities, focusing on their entrepreneurial skills in the coffee sector.
- Training on LCA and DFP and sustainable palm of producers and technicians in Peru through Farmer Field Schools and gamification. Focusing on good practices and landscape management when training producers, and in management, development of soft skills and empowerment when training technicians to boost their work on technical assistance.
- Training of producers and technicians in Peru, wherein lead producers engage in peer-to-peer learning with coffee producers on LCA/DFP models.

Related to jurisdictional approaches, the team has conducted trainings to support the design and implementation of policies and instruments (such as state-wide system of payments to farmers who forgo their legal right to clear forests on their farms as part of J-REDD in Brazil). The Program is also providing technical support and working on pilot programs to improve the implementation of LED-R strategies in Colombia and Peru. Moreover, the team is conducting analyses to fill gaps and provide tailored insights to improve the implementation of LED-R and non-deforestation regulations, and to employ best practices when engaging women and youth.

⁵² For detailed information refer to the Year 2 Training Plan, available in Annex 7.4.

To **raise awareness** of the Program's work and **identify potential partnerships and opportunities to further strengthen capacities**, the team actively shares their work and findings through social media and radio programs, participates in workshops, and continuously engages with existing partners and stakeholders. For instance:

- Solidaridad presented the results of the Study on Motivations of Livestock Farmers in Caquetá and the Gender Study to technicians, Nestlé, Servisostegan, and university students.
- In Peru, Solidaridad partnered with WRI to work with GFWP to monitor and identify deforestation agents and promote DFP.
- EII held a workshop with key stakeholders from agricultural supply chain committees, as well as working meetings with departmental secretaries to define a pathway to develop Meta's LED-R Strategy. In Brazil, EII held meetings and a one-day workshop with SEMA, IPCI, agricultural sector representatives, and NGOs to discuss and provide technical assistance on the jurisdictional REDD+ program in Mato Grosso.
- NWF reached out to meatpackers and cattle value chain actors to join GTFI, including through MBPS meetings. A pharmaceutical company NWF met through the MBPS joined the GTFI.
- Ecosocial presented Visiprast to various organizations in Meta, including TFA and the regional livestock roundtable, leading to future meetings with the Secretary of Agriculture and Environment.

4.3 Collaboration with US Government Agencies and other USAID Programs

REGIONAL

- The Amazonia Connect Agreement Officer Representative (AOR) presented about Amazonia Connect and Visiprec at the "Natural Climate Solutions" training during USAID's Environment Officers training. Amazonia Connect and Visiprec were included as cases for 'deep dives' on MRV on January 30, 2024.
- On March 11, Amazonia Connect's DCOP and Regional Gender Focal Point from Solidaridad in Latin America participated in a call with a representative of the Gender, Environment Climate and Energy Team within USAID's Gender Equality and Women's Empowerment Hub. The team presented an early draft of the Program-level Gender and Social Inclusion Assessment to ensure alignment with USAID policies and best practices. Once the report is finalized, the team will share the final version with the hub, and explore options to collaborate with them on gender, including sharing lessons learned and good practices for GESI within Amazonia Connect through communications products.
- A new AOR took over on March 28, 2024. To support the transition, the previous and new AOR held a series of handover meetings with the COP and DCOP, and the MEL Point of Contact (PoC). In addition, after the Learning Event held in March, a meeting was organized between the new AOR and the team in Peru to raise awareness about the team's work and provide an opportunity for the team members to get to know the new AOR. Additional meetings with implementing partners are being organized to provide space for teams to introduce themselves and present their work to the new AOR.
- On April 11, 2024, a call was held with the USAID Emerging Technologies team, where UW presented their work on Visiprec. During the call, UW explained how the tool works, including its sources of data and the machine-learning element of the tool. UW also emphasized their compliance with relevant Brazil data and privacy laws, and how they present their work to the University Ethics Committee. Although there were no raised concerns or immediate action required after the meeting, the teams found it helpful to connect in case of any further developments or changes in context.

BRAZIL

- On November 8, 2023, nearly 80 guests gathered in Novo Repartimento in the State of Pará in the Brazilian Amazon to attend an event hosted by the Amazonia Connect team. The team presented the initiative, along with preliminary results, and experiences from the first year of the Program. The event included panel sessions with diverse stakeholders, including livestock producers implementing LCA practices, representatives from the JBS Fund for the Amazon, and a professor from the Federal University of Pará. The event was followed by a field visit the next day, where a group of over 25 participants could see LCA in practice and learn more about the activities being implemented by the consortium.

- The Amazonia Connect Consortium in Brazil developed a Concept Note outlining the potential to expand activities under Amazonia Connect. Feedback rounds occurred with USAID Brazil and the AOR, and the team finalized the [concept note](#) in early January 2024. Currently, USAID is internally discussing funding availability.
- On February 29, 2024, EII and USAID organized a meeting to discuss the jurisdictional work in Brazil and provide an in-depth update on new advances. The team will organize a follow-up meeting in Q2 of 2024 to focus on aligning communications.

COLOMBIA

- The team organized an in-person meeting with consortium partners in Colombia from February 13 to 14, 2024, enabling them to share updates, learn more about each partner's ongoing work, and strengthen collaboration and learning within the team. The meeting was held in the Department of Meta, and the team was able to visit one of the Program's private sector partners - La Catira, to learn more about their production system and overall experience with Visiprast so far. Three members of the USAID team attended, including the AOR and Alternate AOR, as well as a USAID Project Management Assistant from the SAR team. The team will share additional information on the consortium's work with La Catira in an upcoming newsletter for the USAID Private Sector Hub (planned for May 2024).
- A meeting was held between USAID Colombia, the DCOP and UW on the biodiversity work conducted in Caquetá. USAID conducted a detailed biodiversity analysis for their Amazonia Mia Activity, including a combination of remote sensing data, and assessments focusing on connectivity, ecosystem and community structure, and habitat quality. During this call, USAID presented the work they have conducted in Caquetá. Data analysis is ongoing; however USAID will reach out for a follow-up discussion once the assessment is more advanced, and the team from UW will present their analysis and discuss in greater detail how synergies between the two assessments can be tapped and information utilized (e.g., potential to integrate additional datasets into Visiprast, and reflecting how learnings can be reflected in their work).
- EII coordinated a call between UW and Destino Naturaleza in February 2024 to discuss overlapping interests in characterizing the biodiversity value of forests across common intervention areas. UW and Destino Naturaleza agreed to follow up to include more technical team members with each initiative but have not yet scheduled any additional meetings.
- The consortium team actively participates in the Caquetá Regional Integration Strategy (RIS) meetings,⁵³ including those held on November 7, 2023 and March 7, 2024. EII and Solidaridad held meetings with the Finance for Equity (FE), Business Case (BC), and Sustainable Agriculture (SAA) activities to define joint development activities between February and March 2024. Through these meetings, an agreement was made to work together to train Caquetá agricultural extension workers and technical assistants in financial education through Solidaridad's School of Sustainable Finance, supported under DO 3.
- The Solidaridad team in Colombia participated in meetings with USAID-supported Activities SAA and BC to align each Activity's work with COCAFICA. It was discussed that sustainable Agriculture will focus on activities with COCAFICA related to the commercialization of coffee (at the cooperative level), strengthening the cooperative's commercialization capabilities and business acumen. BC will focus on landscape-level interventions, particularly working with COCAFICA on voluntary conservation agreements. Amazonia Connect will focus on technical assistance for LCA, strengthening capacities of COCAFICA's farmers and COCAFICA promoters (lead coffee producers) on LCA. The Solidaridad team in Colombia will hold discussions with BC and SAA in April 2024, where they will outline if any adjustments to the indicators are required to prevent duplication of efforts. Once the teams are in alignment, the

⁵³ The RIS was developed by USAID in Caquetá. USAID held a meeting on May 4, 2023, to inform the Caquetá RIS by engaging with USAID implementing partners. It aimed to strengthen cooperation and coordination among USAID activities in Caquetá. Short- and long-term action plans were defined, and seven thematic working groups were established to facilitate continued coordination and tangible integration opportunities in the framework of the RIS. Representatives from Amazonia Connect are present in four working groups: access to finance, landscape planning, scaling of sustainable agriculture, and public investment and infrastructure. More detailed information on the establishment of the RIS are provided in Chapter 4.3 of the Annual Report, whereas this report will focus on advancements related to the RIS that are relevant to the Amazonia Connect Team and that occurred over the last 6 months.

proposal will be presented to COOCAFICA.⁵⁴ The teams will continue to collaborate closely, especially on their work with COOCAFICA, which will be facilitated through RIS meetings and direct interactions as suitable.

PERU

- Amazonia Connect and the USAID-supported activity Business Case held an initial coordination call on January 10, 2024. The call provided space for both teams to present their work on coffee in Peru, where both initiatives are present in San Martín, albeit within different municipalities. There is no risk of duplication, however the teams are now connected and can follow up as necessary on topics of interest.
- The consortium team in Peru held a learning event on March 19, 2024, where the team was able to share their achievements and lessons learned so far. Panels and presentations covered a wide range of topics, including advances in traceability and monitoring with Visiprast, scaling up good practices in coffee and palm oil supply chains through jurisdictional approaches, good practices for scaling up LCA with palm and coffee producers in the Peruvian Amazon, and the link between gender equality and biodiversity conservation. The event was successful with the active participation of 59 participants (30 women), including public authorities, producers, private sector representatives, and civil society organizations, among others. It was strategic for unlocking new opportunities and establishing important contacts with organizations such as the National Commission for Development and Life without Drugs, MIDAGRI and JUNPALMA. Overall, the work with the allies and the progress of the Program has been reaffirmed. A [short film](#) was produced that captures the essence of the event.
- On March 21, 2024, the then-AOR and the forthcoming AOR held an in-person meeting to introduce the team in Peru and share more information about the consortium's work in the country. This session was crucial in supporting the transition to the new AOR and providing a detailed overview of the important work and close collaboration being carried out by the consortium in Peru.

⁵⁴ An internal alignment meeting with BC and SAA is planned for April 29, and a follow up meeting with COOCAFICA is tentatively set during the third week of may.

5. Management and operations

This chapter presents the highlights, measurable results, and progress towards results from October 2022 to September 30, 2023, related to activity management and operation tasks as outlined in the Agreement with USAID and described in the Work Plan. The following Table 2 summarizes the progress by the end of Year 1.

Table 2. Summary of Management and Operation Tasks

TASKS	PROGRESS OCT 23 TO MAR 30	PLANS FOR NEXT 6 MONTHS
Work Plans	Year 2 Work Plan completed. USAID approved the plan on Jan. 16, 2024. Adjustment for coffee in Colombia approved on Mar. 13, 2024 by the USAID Colombia Mission.	Year 3 Work Plan to be submitted on Sep. 1 2024.
Monitoring, Evaluation and Learning (MEL)	Baseline assessment completed, and report approved by USAID on Feb. 7, 2024. Performance indicator tracking ongoing, in alignment with the MEL Plan . Revised GHG targets for Indicator 13-6 approved by USAID on Apr. 10, 2024. Program monitoring dashboard designed and operational. PRS preparations are underway with USAID's Environmental Support Services Contract.	PRS session will be hosted from May 21-23 2024 in Sao Paulo, Brazil. Year 2 results shared to USAID AOR by Oct. 14 to support congressional reporting Results uploaded to DIS by Oct. 30, 2024.
Communications and Branding & Marking Plan	Year 2 Plan developed and submitted to USAID on Oct. 20, 2023. Brazil Learning event and field visit was conducted on Nov. 7-8, 2023 in Pará State. Peru Learning event conducted on Mar.18, 2024. Comms refresher sessions held for teams in Q1 2024. First Amazonia Connect Newsletter sent out to the consortium in Dec. 2023.	Second Newsletter to be sent out in May 2024. Recruitment of Communications Coordinator based in Brazil Ongoing implementation of activities outlined in the Communications and Branding and Marking Plan.
Environmental Mitigation and Management Plan (EMMP) and Report (EMMR)	Streamlined templates developed and approved by USAID for EMMP and EMMR. EMMP for Year 2 approved by USAID on Jan. 25, 2023, and EMMR for Year 1 approved by USAID on Oct. 10, 2023. Draft Program-level GESI Assessment submitted to USAID. Final version to be submitted in May 2024.	Team will develop a template for an Integrated Pest Management Plan in alignment with PERSUAP requirements in Year 2 for Peru. EMMP for Year 3 to be submitted by Sep. 30,EMMR for Year 2 to be submitted by Oct. 31 Follow up learning webinar on Gender and Social Inclusion to be held in Jul. 2024. ⁵⁵
Reporting	Annual report approved on Dec. 22, 2023.	Semi-annual report submitted on Apr. 30, 2024. Year 2 annual report to be submitted on Oct. 31, 2024.

5.1 Monitoring, evaluation and learning plan implementation

During the period, the MEL team focused on finalizing the [baseline report](#). The baseline report included survey information with socio-economic data of producers and agronomic practices, GHG emissions and sequestration information obtained from three different calculators carefully selected to be accurate and relevant in the sector, deforestation information obtained from satellite imagery analysis, and a qualitative

⁵⁵ The Gender and Social Inclusion Assessment will be finalized in early May 2024. Nonetheless, gender focal points and field teams may not all be able to travel to the PRS due to limited travel budgets for the PRS, and thus an online webinar will be held in July 2023 to present some of the lessons learned and experiences of the consortium under Amazonia Connect.

reflection on the status of local actors, companies, and global monitoring tools to indicate the starting point of the Program. The process was facilitated by the bases set beforehand in which data point requirements and indicator calculations were defined and shared. Still, it was challenging as each context, indicators, and tools had particular details that required harmonization and increased complexity. The baseline report was approved on February 7, 2024.

In October, the MEL team compiled and presented the report for Year 1 (see Annex 7.3). The final product included the narrative report included within the [annual report](#), consortium results matrix, disaggregated matrix for Colombia, and uploading the results to DIS. The report included supportive documents such as the CBLD-9 matrix, a detailed description of functions and changes in scope for EG 10.2-2 indicator, and a PSE-2 matrix with details of engagement with companies. In addition, Data Quality Assessments were conducted for each of the indicators following USAID templates.

The consortium teams collaborated to build a [dashboard](#) to visualize key information from the Program.⁵⁶ The first version was presented in the previous PRS, and adjustments were made for a new version that includes data from the baseline and Year 1 results. The visualization includes a summary of Program indicators, an analysis of GHG emissions per hectare and totals, an exploration of the relations between LCA practices and GHG emissions, a display of Farm LCA adoption and economics, and an interactive graph with deforestation trends in relation with LCA adoption. The dashboard is open to consortium members for analysis and learning. As the members use it, the consortium will discuss the need for enhancements and additions.

Between November and March, the Program team, including environmental and MEL specialists, engaged in an exhaustive analysis of GHG emissions and projected the scenarios for end-of-Program targets. Together, they produced and validated a document that explains the rationale of the calculation, the assumptions to achieve the targets, and the different sources of emissions, reductions, and sequestration. The document was approved on April 10, 2024.

Based on the new information gained during the period, some adjustments to the [MEL plan](#) will be discussed in the PRS that will be held from May 21-23, 2024 in Sao Paulo, Brazil. During the session, the team will also discuss alternatives to advance the learning plan for the Program with the members. The [draft agenda](#) and logistical information has been shared with participants.

5.2 Communications and branding & marking

The Amazonia Connect Communications and Branding & Marking Plan was updated with consortium partners and approved in February 2023. The plan follows the overall work plan to deliver communications content that will inform external audiences of progress and learnings, inform internal stakeholders, and support the development and implementation of training materials.

To date, notable achievements in implementing the Year 2 plan include:

- Rolling out a series of four short films covering the overall program and specific work in Brazil, Colombia and Peru. Watch the films in [English](#), [Spanish](#) and [Portuguese](#).
- Developing the first edition of the Amazonia Connect newsletter shared with all consortium partners in December (next edition to be shared in early May).
- Supporting the planning and coordination of launch events in Brazil and Peru, including:
 - Event films for Brazil (currently under development) and [Peru](#) (in Spanish only)
 - Post-event long-form news items for Brazil (in [English](#) and [Spanish](#)) and Peru ([in Spanish only](#))
- Publishing 17 social media pieces and 17 long form articles in English, Spanish and Portuguese.
- Conducting Communications and Branding & Marking trainings for all local teams across all consortium partners in Brazil, Colombia and Peru.
- Supporting the approval of reports and training manuals from a Branding and Marking perspective.
- Creating monthly highlights to share with USAID and consortium partners to inform all on progress made across the entire initiative.

Anticipated progress for next reporting period include:

⁵⁶ Login information available on request.

- Developing producer profiles of smallholder ranchers in Brazil and an oil palm producer in Peru.
- Ongoing publication of a variety of social media posts highlighting ongoing activities.
- Continuing implementation of activities, as per the Communications & Branding and Marking Plan.
- Developing additional content on the principal workstreams with interviews on LCA agriculture, LED-R strategies, carbon credits and markets, and deforestation and biodiversity monitoring, which will allow the team to build on previous work on these topics in the last year.
- Continuing to share monthly highlights
- Completing the recruitment of a communications coordinator to support Program communications. The plan is to have the coordinator placed in Solidaridad's office in Brazil, who will report to the team in Solidaridad North America, while working closely with the consortium's communications teams.

5.3 Environmental mitigation and management

The [EMMR for Year 1](#) was approved on October 10, 2023 by USAID. The [EMMP for Year 2](#) was approved on January 25, 2024⁵⁷ and was consecutively shared with all implementing partners. The EMMP was very similar in terms of content to the EMMP from Year 1. A notable difference was the EMMP template, where the team closely collaborated with USAID in Year 1 to develop a streamlined template to facilitate information dissemination, make the EMMP's content easier to digest, monitor and report on, and reduce redundancies.⁵⁸ The consortium received formal approval by USAID on December 20, 2023 to adjust the delivery timing of the EMMP and EMMR. From now on, the EMMP for the upcoming year will be due on September 30 (e.g., EMMP for Year 3 will be due on September 30, 2024), and the EMMR for the previous year on October 31 (e.g., EMMR for Year 2 will be due on October 31, 2024). This will ensure there is sufficient time for the work plan and USAID feedback on the work plan to inform the development of the EMMP, and to also provide adequate time for reporting related to the EMMR.

5.4 GESI assessment

As mentioned in Chapter 4.1, the Program-level Gender Equality and Social Inclusion Assessment will be finalized in early May 2024. Chapter 6 of the GESI Report provides a detailed table of the measures to be implemented throughout Amazonia Connect. More detailed updates on advances achieved during the last quarter are described in Chapter 4.1 of this report.

5.5 Indigenous Peoples

The Indigenous Peoples Consultation Plan for Amazonia Connect is provided within the annual Work Plans (see Chapter 4.3 of the [Year 2 Work Plan](#)). There are no adjustments to the plan required at this stage, and the team will reassess if any additional adjustments or additions are required within the Year 3 Work Plan during the next reporting period. The forthcoming GESI Assessment also provides additional insight into how the inclusion and safeguarding of these groups will be ensured across the Program.

5.6 Budget expenditures

As of March 31, 2024, the Program spent USD \$4,638,356, which is 79% of the total initially obligated budget amount of USD \$5,887,134. While program start-up was slow in the initial months of the project, spending has continued to increase as implementation has steadily picked up pace. Our overall budget plan for Year 2 is USD \$4,553,148.30, including carryover from Year 1 and the funds allocated for the Year 2 budget. In the two

⁵⁷ EMMP approval was dependent on the approval of the Year 2 Work Plan. The Year 2 Work Plan approval was delayed due to the car accident that occurred in November 2023, which also affected the approval of the EMMP.

⁵⁸ After flagging this challenge with USAID, the consortium proposed adjusting the EMMP and EMMR templates to ensure that they reflect the context of Amazonia Connect as a multi-country Program and streamline information. The consortium developed streamlined templates for the EMMP and EMMR, and USAID approved them on August 17, 2023. The country-specific tables included in the templates will make it easier for country teams to use and eliminate the need for repeated shared mitigation measures for multiple activities (cf. Chapter 1 of the Year 1 [EMMR](#)).

most recent quarters (October 2023 - March 2024), expenditures totaled approximately USD \$1,612,949. (35.4% of the Year 2 plan).

Some of the main adjustments related to the first half of Year 2 are as follows:

- The coffee teams in Peru and Colombia have needed to adaptively manage the departure of private sector partners that occurred near the end of Year 1. The last months have focused on outreach with private sector partners, and formal cooperation agreements are expected to be formalized in the coming months. This has impacted activities related to LCA training and developing and implementing sourcing guidelines.
- The recruitment of a communications coordinator in North America (to be based in Brazil) is yet to be completed. Hence, the costs budgeted for this position since January 2024 are yet to be utilized. The recruitment process is back on track and we expect to have this position filled by the end of June 2024.
- Some payments to subcontractors are still to be paid and hence, will be reported in the following quarter.
- Certain workshops and trainings, especially related to jurisdictional activities, will take place in the second half of the year, as they have required additional engagement and planning.
- Our initial obligation was expected to support activities until April 2024. Hence, sub awardees received partial funding obligations for Year 2 (October 2023 to September 2024). This also led to conservative spending for the first half of the year. However, as USAID has approved our next obligation for 18 months, all teams can confidently proceed with activity implementation and spending for the rest of the year.

5.7 Projected USAID approvals, waivers or deviation requests anticipated during the next reporting period

The consortium is currently evaluating whether securing a Branding and Marking Waiver will be suitable for Brazil, since there are political sensitivities related to using USAID's logo in Portuguese documents that target Brazilian stakeholders. If deemed necessary, we will submit a waiver request. We are still awaiting the Branding and Marking waiver for Colombia.

5.8 Confirmation TrainET reporting requirements are up to date

Per the definitions and terms in Solidaridad's cooperative agreement, Amazonia Connect has not organized any training programs involving Exchange Visitors for Participant Training or Invitational Travel in the United States since the start of the activity in March 2022 until March 2024. Therefore, the TrainET system hasn't needed an update.

5.9 Status of audit processes, including for sub-awardees

- Solidaridad North America's fiscal year runs from January to December. The office started its 2022 audit with Baker Tilly in the U.S. in Aug 2023. The process was delayed due to key staff members at the audit firm requiring to take extended periods of leave and also staff turnovers. Nevertheless, the audit process is progressing well and we expect it to be completed by the end of May 2024. The 2023 audit will start soon after the 2022 audit is completed.
- EII's fiscal year runs from January to December. They did not meet the threshold for a single audit in 2023.
- UW's fiscal year runs from July 1 to June 3. Their latest audit report (2022 - 2023) can be found on [this page](#) under the Budget Information section, Most Recent Single Audit Report. Since UW is considered part of the State of Wisconsin, they are included in the State Audit.
- NWF completed its audit fiscal year ending August 31, 2023.
- Fundación Solidaridad Latinoamericana (FSLA) will be starting their 2023 audit in May this year.

6. Learning and adaptive management

6.1 Change in context

Amazonia Connect is implemented in a highly dynamic environment, and the team experienced changes in context that in some instances required adaptive management. The change in context is summarized below.

REGIONAL

The regional changes in context presented in the previous semi-annual and annual reports remain relevant. Of particular relevance is the EUDR. Members of the European Parliament reached a deal with European states to move forward with the [European Union \(EU\) Regulation to curb EU-driven deforestation and forest degradation](#). The regulation, which was [formally](#) adopted in April 2023, will accelerate the need for companies in key supply chains to set up effective monitoring and traceability systems to ensure commodity production is deforestation-free and produced legally. For Amazonia Connect, this is particularly important for Peruvian and Colombian coffee and Brazilian cattle (leather),⁵⁹ where the EU is a key export market. While the regulation is not expected to come into full force until December 30, 2024,⁶⁰ it is a critical time for countries, companies and producers to prepare for and ensure compliance with the regulation, and prevent smallholder producers from being disproportionately impacted.⁶¹

The team also continues to closely observe the policy landscape in the US (e.g., the [FOREST Act](#), New York [Deforestation-free Procurement Act](#), the Illinois [Deforestation-Free Procurement Act](#)). Given the strategic importance of Amazonia Connect in these new policy contexts, if similar legislation to the EU were to be enacted in the US, this would continue to affect supply chains where Amazonia Connect is working, especially in coffee (Colombia and Peru) and Brazilian beef and leather.

Overall, the Program’s activities are aligned with these upcoming regulatory changes, as the USAID activity seeks to accelerate the shift towards low-emission commodity production, biodiversity conservation, and reduce deforestation in regions that supply agricultural products to international and domestic companies. Amazonia Connect offers valuable insights by mapping producers and supply chains, which is crucial as the EU Deforestation Regulation collects the geolocation of every farm from which a commodity is sourced. Nonetheless, the team is closely monitoring the situation as countries and companies work towards ensuring compliance, and is looking out for specific implications and changes in context in the countries and within the commodity supply chains where Amazonia Connect works.

BRAZIL

- As mentioned above under DO 2, GTA data has been temporarily unavailable in Pará for several months due to technical issues within the Sanitation Agency. This limits the team’s ability to add new GTA data into Visipec. The team is exploring various options to regain access to the GTA and is engaging with other networks and organizations active in Brazil that are advocating for transparency. Note that official projects like work that UW does with the MPF (under other funding) do continue to have access to the GTA; the issue is just the public availability for non-official purposes such as monitoring tools and research. Although GTA data has not been publicly available in Mato Grosso since 2019, it is slated to become publicly available again following a recent court decision mandating its availability to the public. The UW and NWF teams will provide necessary updates in bimonthly calls related to GTA and data availability, as well as alternatives.
- First Amazon-wide “unified” [TAC audits presented](#) in November 2023. Indirect suppliers will be included for informational purposes after July 2024. This will create additional interest in and opportunities for monitoring along the supply chain.

⁵⁹Europe is a major export market for [leather](#), and a secondary market for [beef](#) (~28% of production is exported, with major export countries including China, USA, Egypt, and Chile).

⁶⁰ The regulation will come into force 20 days after its official publication in the EU official journal, however some of the articles will only apply 18 months later ([European Parliament, 2022](#)). There are some voices calling for an extension of this period, given the challenges to comply, however as of April 2024 it remains unchanged.

⁶¹ A conference was held in Peru in November 2022 to discuss the potential implications of the EU regulation in coffee and cocoa value chains in Peru. More information is available [here](#).

- EII has received additional funding from the Bezos Earth Fund (BEF) which will be highly complementary to the current Amazonia Connect funding for Pará. EII learned in 2023 through their experience in the state of Tocantins that the true cost of supporting the co-creation of a state-wide program of positive incentives for forests on cattle ranches is far more than what was budgeted under Amazonia Connect. The BEF funding is complementary and will allow EII to carry this work forward. More information on their synergies and main entry points is provided in [Annex F](#) of the [Concept Note](#) Developed for Brazil.
- UW also received additional funding from BEF to serve as “Scientific Advisors” for activities led by other funding recipients working to develop an animal-level traceability program in Pará, which is highly complementary to the work conducted under Amazonia Connect on improving and expanding traceability in the cattle sector based on the GTA. UW will work to ensure that the activities carried out under both projects align in concept and implementation.
- During visits to Solidaridad’s work on the ground, NWF observed that providing technical support for improved productivity can make it easier to convince producers to comply with socio-environmental regulations. Although NWF currently lacks funding to provide technical support to the suppliers of the meatpackers that NWF works with, it will be helpful to explore options, potentially from other private sector actors. NWF will consider this possibility in its outreach with financial institutions.
- The announcement of plans for an individual animal traceability program in Pará state led to NWF receiving questions from meatpackers about Visipec- questioning whether they need to invest in a GTA-based system if an upgrade was coming. In order to explain that a new system will take time and budget to be ready to replace Visipec for monitoring DFP, NWF is producing a report to explain what is needed. The report will be finalized and shared in April 2024.
- On November 9, 2024, there was a transit accident involving 8 persons, including 7 members of the consortium team and 1 participant of the event, on the transamazonian highway traveling back from the Learning event to the city of Marabá. Several people were injured and required medical attention, and in some instances an extended medical leave. Updates were regularly shared with the USAID teams and US Embassy in Brazil, and the consortium team in Brazil was paramount to the response and overall care of affected persons. While there were no delays experienced by the consortium at the country level, there were some resulting delays at the programmatic level due to absences of the COP and AOR, including the review and final approval of the Year 1 annual report, Year 2 work plan, and the Year 2 EMMP, and the advancement of the program-level gender assessment. The team has since made up for these delays, and all necessary approvals have been received.
- Although not directly financed under Amazonia Connect, the Solidaridad team in Brazil is implementing complementary activities that have synergies with the work implemented under Amazonia Connect. Below are a few key updates:
 - In January, a pilot project financed by the Embassy of the Netherlands and Agrifirm was completed in partnership with SEMAS. The project aimed to test a new optimized process (fast track) for the environmental compliance of family farmers and generate recommendations for improvement. The results will be published in the next quarter, and the team will share the report and key considerations with the Brazil Consortium.
 - In February, the report “[Building common goals for the livestock sector in Novo Repartimento](#)” was released based on joint recommendations developed through three workshops involving the Sustainable Livestock Forum held in the last quarter of 2023. This collective construction generated an unprecedented dialogue among livestock stakeholders in the municipality and the next phase aims to raise funds for implementation.⁶²
 - Solidaridad is also implementing a project in partnership with the The International Center for Tropical Agriculture (CIAT) with the objective of promoting the agroecological transition of livestock farming. The project involves i) a co-creation process with technicians from Solidaridad, cocoa and livestock producers supported by Amazonia Connect (91), to identify the most relevant problems related to access to information on management practices; ii) the development and activation of the

⁶² This advancement is particularly important for the Consortium’s Concept Note in Brazil, which aims to support implementation. If USAID indicates that funding is available for the Concept Note, the team can provide additional information on the Municipal Action Plan for Novo Repartimento.

Solis application, which enables interaction between producers, extension technicians and specialists, encouraging the co-creation and sharing of audiovisual content about sustainable practices; iii) publishing the first videos made by farmers; iv) and the development of a [Policy Brief](#) on the experience of co-creating a digital tool together with farmers.

COLOMBIA

- The company Siruma Coffee, [a women-led business](#), will partner with Amazonia Connect in the coffee supply chain in Caquetá, where they will be engaged under Pathway 1.1 and Pathway 1.2. The program still aims to reach the same number of producers over the same area (1,100 producers over 14,036ha).⁶³ The approval of this change in private sector partners was approved on May 13, 2024. Since receiving this formal approval, Solidaridad in Colombia has been working closely with Siruma Coffee to define the scope of activities, and develop a formal cooperation agreement before the end of Year 2.
- Ecosocial is currently leading the monitoring table for the Beef and Dairy ZDAs. The following priorities have been defined for 2024: information management, automatic analysis of deforestation, territorialization strategy, MRV protocol, and traceability and monitoring. Relevant advances and other updates will be regularly communicated to the team through the bimonthly consortium updates.
- The Ministry of Agriculture established a new multi-stakeholder group in October following a workshop on International Cases of Successes in Traceability, in which Ecosocial, UW and NWF participated. The Ministry recognized the need for further discussion to help develop options for a government traceability system cattle as a way to improve forest governance. A new group inside the government was needed (rather than working through the ZDAs) because of the need to make decisions at the national level. Ecosocial, UW, and NWF, actively engaged in the initial discussions and Ecosocial is leading discussion in the group and will help align it with the work in the ZDAs. While there is significant potential for the group to help establish national traceability and monitoring in the cattle sector and it is an opportunity to provide valuable feedback on the potential scope of an official tool and align that with VISIPRAST, unfortunately, this group is currently suspended due to personnel changes within the Ministry, and progress in the short term remains uncertain.
- The election of a new departmental government led to leadership and operational changes in the Caquetá Climate Change Sub-node, resulting in delays to activities outlined in the Action Plan crucial for promoting the Caquetá LED-R Strategy under Pathway 1.3. Similarly, the transition to a new government in Meta also contributed to delays in the workshops to support the design of the LED-R Strategy for Meta. The team has adapted the Progress Tracking Table and timeline to reflect these delays.
- The dairy sector in Colombia is currently facing a [nationwide crisis](#), marked by a decline in dairy product consumption, plummeting producer prices, and heightened public order issues in various regions. Consequently, this situation has precipitated a crisis within the sector, prompting many companies to seek cost-cutting measures to remain competitive in the market. This also is expected to limit appetite for taking on credit, given increased uncertainty in the sector. The consortium team is closely monitoring the situation,⁶⁴ and will communicate any further changes in context in bimonthly meetings, work plans and through other reporting formats. The team remains committed to developing educational solutions that empower all Nestlé suppliers, including youth and women, with the skills necessary to navigate these market fluctuations. The team also continues to discuss improving access to finance and developing incentives for producers with private sector partners and financial institutions to promote and scale LCA, whilst reflecting on the current market dynamics.
- The presence of dissident structures in Caquetá, especially roadblocks and checkpoints associated with the Central General Staff (*Estado Mayor Central*), hinders access to certain areas of the territory and community members' participation. While these activities are beyond the control of the consortium, the consortium team monitors the situation and maintains regular communication with regional government authorities to ensure the safety of the team and to discuss alternatives for participation and consultation when travel is disrupted, unsafe, or not feasible.

⁶³ This was officially approved by the Colombia USAID Mission on March 13, 2024. A more detailed concept note submitted to USAID is available [here](#).

⁶⁴ E.g. <https://www.agronegocios.co/agricultura/fedegan-destino-4-000-millones-al-sector-lechero-3846872>

PERU

- Following Volcafe's departure from Amazonia Connect, Solidaridad has convened meetings with Starbucks, ECOM, and RGC Coffee Inc. to explore the inclusion of new private sector partners in the Program. Progress in these discussions seems promising, and Solidaridad expects to forge new alliances in the first half of 2024.
- Concern of producers and associations of the coffee, palm oil, and cocoa chains about the entry into force of regulations on deforestation imported from the European Union. The Program is supporting a national discussion about it around the Coalition for Sustainable Production and regional technical roundtables of coffee, and palm oil supply chains in Ucayali and San Martín.
- Concern from the non-governmental environmental sector due to the approval of the amendment to the Forestry and Wildlife Law (Law No. 31973). MIDAGRI is preparing a new proposal to make regulatory improvements to consolidate property rights and allow EUDR implementation in Peru. The team is tracking these developments.
- Solidaridad supported JDE Peet and Enveritas to contact the Peruvian Government for [the signing of an MoU](#) between the two companies and MIDAGRI so that Peru can obtain the Declaration in Excess to comply with the EUDR and during 2024 Peruvian coffee producers can continue exporting to the European Union. All these conditions that facilitate compliance with the EUDR also facilitate the climate-smart coffee proposal that the team is promoting (which seeks to reduce deforestation and improve the living conditions of producers), to have better-enabling conditions to expand its impact.
- Peru is experiencing government instability, constant changes of ministers and ministerial teams, and other senior government officials, making coordination with the public sector difficult.⁶⁵ To counteract impacts on the program, the team works closely with senior officials in the Ministry (who tend to experience less turnover), as well as ministers and vice ministers. The team also focuses on clear documentation of information and knowledge, including developing informative materials and presentations, which enable the team to get new officials up to speed in understanding the Program and the consortium's work, the organizations it partners with and the concepts and interventions it promotes.
- There is a request from the Regional Government of Ucayali and COFIDE to improve FONDESAM's operability and use it as a platform for financial incentives (guarantee fund) for DFP. Under Activity 3.1 the EII team is exploring how to potentially support this development.
- Turnover in palm organizations: Changes in the leadership and turnover of technical teams within palm organizations and extractors, resulting in a low level of governance. This implies rebuilding the collaborative relationship with these teams, and building institutional capacities to maintain knowledge and trajectories. Fortunately, technicians are located in Ucayali and are on the ground to work closely with these associations, however, it does lead to delays and additional efforts to build capacities and contribute to institutional strengthening.
- Solidaridad in Latin America and RSPO in Latin America [signed an Agreement](#) to strengthen Technical Assistance in Palm. This agreement applies to all of Solidaridad's work with palm in Peru, including the work under Amazonia Connect where RSPO is already closely engaging with the team. The scope of the agreement emphasizes the use of digital tools, the professionalization of the sector, and alignment with international regulations.
- Due to the effects of climate change, the rainfall pattern has changed, adversely affecting the average productivity of the Ucayali region by approximately 25%. LCA practices promoted by the Program help strengthen producers' resilience to climate change and reduce. For example, one of the LCA practices promoted is using leguminous plants and bunches without fruits so that the palm soil can retain moisture for longer periods of time. For ecosystems where the level of rainfall is low, the team encourages the use of technical irrigation. LCA practices, including applying the correct use of fertilization, also help increase productivity.

⁶⁵For example: <https://www.elperuano.pe/noticia/235832-cuatro-nuevos-ministros-se-incorporan-al-gabinete> and <https://www.elperuano.pe/noticia/240412-perfil-angel-manero-campos-es-el-nuevo-ministro-de-desarrollo-agrario-y-riego>

- JUNPALMA changed its board of directors in February and Solidaridad and the Sustainable Palm Driving Group will be meeting with the President and Board of Directors in the near future to align the project's objectives with their agenda.

6.2 Learning questions

A summary of the team's initial responses to the learning questions are provided in Annex 7.5 of this report. The reflections made in the Year 1 Annual Report have held true, and there have only been minor additions since the Annual Report. The upcoming PRS in May 2024 will include sessions to dive into the learning questions in greater detail. The advances will be documented in the PRS report, as well as within the Year 3 Work Plan and Annual Report for Year 2.

6.3 Adaptive management

Given the highly dynamic environment where Amazonia Connect is operating, the team continues to apply adaptive management. While few activities from Year 2 are delayed or required adjustments, there were some events that occurred during this reporting period that were outside the control of the consortium (e.g., political transitions and turnover, transit accident affecting Program staff and USAID staff, exit of two private sector partners, the reduced supplier base of Program partners,⁶⁶ among others). The consortium team continues to be proactive in identifying potential barriers, communicating changes in context and the need for adaptive management, and, where necessary, coming up with creative solutions to adaptively manage dynamic situations. Processes including discussions within the consortium and together with USAID, followed by the development of clear action plans to make any adjustments ensure that the Program adapts as required while continuing to deliver against each team's commitments and the Program's overall objectives. A variety of tools and reporting formats are available to help the Program team document instances of adaptive management: The team tracks any required changes in context, activity adjustments or changes through the work plan [progress tracker](#). More detailed updates on changes in context and required adjustments are included within semi-annual and annual reports and annual work plans, ensuring ongoing recording and tracking of these changes and adjustments made.

While adaptive management is ongoing throughout implementation, regular communication within the consortium and with USAID has also been prioritized to ensure informed decision making and the efficient and effective communication of any adjustments, challenges and opportunities. Bimonthly meetings between USAID and consortium teams, which began in early 2023 for Colombia, have started taking place for Peru since Q4 of 2023 and Brazil in Q1 of 2024.⁶⁷ These meetings, which will continue to be organized, have been a valuable tool to regularly communicate advances, changes in context and other key considerations, and promote information exchange among the consortium team and USAID. In December 2023, the team also sent out the first Amazonia Connect internal newsletter, with the aim to provide more regular updates on the broader progress of the consortium.

There is also substantial learning in how to work together and what level of coordination is both efficient and effective. While learning has been captured through last year's PRS, the semi-annual and annual reports, and through team meetings (e.g., the biodiversity webinar held by UW for the Colombia Consortium in Q4 of 2023), there is room to create a more structured process. The upcoming PRS session will have a strong focus on how the consortium can strengthen efforts to "connect the dots" across Amazonia Connect's work at the country and regional level, in alignment with the Theory of Change. The PRS will further involve discussions on how to strengthen and systematize learning within the consortium. It will also explore formats for future PRS, including potentially holding virtual sessions.

Overall, collaboration among partners remains strong and contributes to advancing the work and shared goals of the consortium. When reflecting on what has gone well so far, the team raised the following points:

⁶⁶ Despite existing relationships of trust and previous work with partners, it is important to consider that additional limitations may arise when working in new areas, especially if partners face difficulties in maintaining their supply base due to strong competition from informal buyers.

⁶⁷ The timing of the initial meeting with Brazil was delayed due to the aforementioned transit accident.

- The importance of farmer engagement and trust-building with producers continues to be underscored for the Program’s LCA work. In particular, involving women and youth in the process has proven to be successful in gaining insights for effective intervention strategies for LCA, which will be continue to be strengthened in Year 2, especially as they are informed by the gender and youth assessments in Caquetá for livestock and coffee, and the palm oil GESI study for Peru to be completed in Q1 of 2024. LCA efforts across all three countries involve ITA.
- Collaborative work with private sector partners is resulting in tailored technical assistance that supports the needs of the companies as they work towards DFP. This also provides a better understanding of producer motivations and can lead to improved engagement with producers and other key stakeholders.
- The policy landscape and upcoming regulatory changes are increasing interest in traceability and monitoring processes among companies, generating increased interest aligned with Amazonia Connect’s activities.
- In general, many key public and private sector stakeholders are very receptive to the work of Amazonia Connect across all four DOs. The team continues to engage in outreach with diverse stakeholders to identify synergies and opportunities to collaborate and strengthen the reach and impact of the Program. This further reflects the importance of alignment with key regional, national and sub-national strategies, and sectoral initiatives (e.g., ZDAs, GTFI).

7. Annexes

7.1 Year 2 progress tracking sheet

Annex presented in a separate [Excel spreadsheet](#).

7.2 Products/ materials produced

The following Table provides an overview of the products and materials produced during the reporting period. All approved documents will be uploaded to the DEC by May 3, 2024.

Overview of Products and Materials Produced

NO.	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION	PUBLICLY AVAILABLE
1	Oil Palm GESI Analysis (Solidaridad in Peru)	Study/report	Apr. 2024	Yes	Will be uploaded by May 3/24	Folder	No
2	From individual animal traceability to reducing deforestation (NWF)	Other USAID supported study/ document	Apr. 2024	Yes	Will be uploaded once publicly available	Consortium folder	Tentative May 2024
3	LCA roadmap for palm oil supply chain in Ucayali done and approved by key stakeholders in Ucayali (EII)	Report	Apr. 2024	Not yet	Will be uploaded once approved		
4	LCA roadmap for cocoa, palm oil and coffee for San Martín done, validated with key stakeholders and approved by San Martín Regional Government (EII)	Report	Apr. 2024	Not yet	Will be uploaded once approved		
5	Technical proposal for improving the national legal framework to promote LCA and DFP done and presented to MIDAGRI (EII)	Report	Apr. 2024	Not yet	Will be uploaded once approved		
6	Cost Analysis to Implement	Technical	March 2024	Yes	Will be uploaded	Consortium folder	No

NO.	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION	PUBLICLY AVAILABLE
	Caquetá's LED-R Action Plan (EII)				by May 3/24		
7	Conservation value and biodiversity indicators for properties and supply chains in Colombia (UW)	Journal article	Initial document Sep 2023, extended report submitted for publication May 2024	Yes for initial document	Will be uploaded once publicly available	Draft version on website	Yes
8	Modern Slavery in Brazil's Cattle Sector (UW)	Journal article	October 2023	Yes	Will be uploaded once publicly available	Consortium folder	Tentative Aug. 2024
9	Evaluation of supplier fidelity and slaughterhouse competition impacts on ZDAs in Brazil	Journal article	Sept 2023 completed, submitted to Environmental Research Letters	Yes	Will be uploaded once publicly available	Consortium folder	Tentative May 2024
10	Gender and Generational Gap Analysis in the Livestock Sector of Caquetá 2022-2023 (Solidaridad in Colombia)	Other USAID supported study/ document	July 2023	Yes	Will be uploaded by May 3/24	On website	Yes
11	Study on Gender Equity in Coffee Farming: Motivations, Expectations, and Life Projects of Youth from Coffee Farming Families in Caquetá (Solidaridad in Colombia)	Other USAID supported study/ document	October 2023	Yes	Will be uploaded by May 3/24	On website	Yes
12	Study on the Motivations of Dairy producers Regarding Productive Conversion (Solidaridad in Colombia)	Other USAID supported study/ document	October 2023	Yes	Will be uploaded by May 3/24	On website	Yes

NO.	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION	PUBLICLY AVAILABLE
13	Radio programs for coffee producers on LCA/DFA practices (Solidaridad in Peru)	Non-USAID technical	May 2024	No ⁶⁸	No	Consortium folder	Internal training

7.3 Performance indicator tracking

Annex presented in a separate [Excel spreadsheet](#).

7.4 Training plan progress tracking

[Year 2 training plan](#) progress tracker presented in a separate Excel spreadsheet.

7.5 Learning questions

With regards to the four Program learning questions, below are the main reflections from Year 1 and the first half of Year 2. The team will continue to reflect on these during the PRS. More detailed reflections will be included within the Year 3 work plan and the Year 2 annual report.

1. Which incentives are most strongly correlated with increased uptake of LCA? When are these incentives delivered (pre- or post-sales)? How are these delivered (non-financial or financial)?

Throughout the first year of Program implementation, several key incentives were identified, including:

- **Coffee:** In the coffee sector in Colombia, useful incentives for producers include: delivery of high-quality coffee seeds, support for producers through training⁶⁹ and capacity building in coffee production, and development of training activities that coffee promoters/leaders can replicate in their communities. The team also highlighted that promoters play an invaluable role in communication between Amazonia Connect and communities, allowing ownership of the practices and processes being developed.

These incentives are also relevant for coffee production in Peru, especially pre-sales. Both partners, Solidaridad in Peru and EII are working together to design public incentives to improve capacity building and enabling conditions for coffee producers in San Martín, as well as reach more producers with the Acorn platform. Thus both public and private financing mechanisms can be tapped to incentivize investments in LCA and DFP, ensuring complementarity and alignment with the jurisdictional LED-R strategy and San Martín's commitment to connect farmers to Acorn and enable them to access additional benefits from agroforestry.

- **Livestock:** In the livestock sector in Colombia, relevant incentives include: ex-ante incentives such as plant material, seeds, and inputs that allow for the implementation of low-carbon livestock practices, promotion of shared learning tours with livestock farmers who have already implemented LCA practices, facilitating access to reasonably priced trees and shrubs that can be used in livestock farming and promote conservation, access to financing at low-interest rates that promote low-carbon livestock practices, and voluntary bonuses per liter of milk.

In the livestock sector in Brazil, one of the main incentives is the integrated and continuous technical assistance program, where farmers jointly create sustainable LCA production models that support the

⁶⁸ Content has been completed, addition of Acknowledgement and Disclaimer is underway and should be complete by 15 May 2024

⁶⁹ Training should be accompanied by practical implementation; motivating participants to try things out gradually generates favorable experiences in the medium term, reducing fear of change and increasing confidence in the possibilities of success. When a coffee farmer finds a practice that makes sense for improvement, they consider investing for better results (e.g., soil analysis).

sector and region to transform towards more sustainable development pathways. In some cases, in addition to technical assistance, it is also necessary to leverage credit or other types of financing to implement more costly practices, such as rotational grazing systems.

- ***Palm oil:*** In the palm oil sector in Peru, market requirements and corresponding corporate policies for deforestation-free production play an important role in driving sustainability. Beyond the producers' initiatives, buyers are stricter regarding their requirements for traceability and sustainability. For example, PEPSICO, a client of Alicorp's, will carry out field audits on its suppliers to monitor deforestation and traceability. This incentivizes the adoption of LCA and progress towards deforestation-free sourcing.

2. What factors motivate or pressure companies to make commitments to reduce deforestation and to implement their existing commitments?

Market demands were identified as a major factor motivating and pressuring companies to reduce deforestation and implement commitments. In addition, accessing differentiated markets can also motivate companies, where companies can access markets that prioritize environmentally sustainable products, often at a higher price point. In this sense, companies can gain a competitive advantage and increase profitability while contributing to sustainable development. This also positively impacts the reputation of companies taking such measures seriously.

Nonetheless, there is a need for supporting mechanisms to i) generate associative dynamics and promote a sense of belonging and a supportive network among partners and organizations, ii) provide tailored technical assistance to support companies and producers to transition to deforestation-free and sustainable production systems. The consortium team highlighted the importance of developing tools that are accessible for the company (easy to use, easy to understand, work with existing workflows, and meet legal requirements, among others) and building the confidence of companies so they can acquire the data and skills needed to implement and effectively monitor their commitments.

3. Do producers who gain access to financial mechanisms invest in the transition to LCA?

The financial component of the Program is gaining momentum within Year 2. That said, initiatives are still being designed and much of the progress will be achieved in the coming years. Nonetheless, below are some preliminary reflections:

- In dairy supply chains in Colombia, the team preliminarily identified that producers who invested in these transition processes are also those who received credit (designed with clear incentives) and adequate technical support, while also perceiving economic benefits from the buyer (in this instance, Nestlé). Thus, the economic benefits must be tangible.
- It is important to consider that current interest rates and financing conditions for green credit lines may place more requirements on producers to implement sustainable practices than other credit lines, such as animal purchases. This demotivates producers and acts as a disincentive that limits LCA implementation. Thus, it is essential to ensure that green credit line requirements are attractive yet flexible enough to accommodate LCA investments' diverse needs and realities in target sectors while upholding environmental and social standards. A balanced approach that encourages and supports sustainable LCA investments while addressing different borrowers' unique challenges and needs is key to driving the transition towards more sustainable and deforestation-free development pathways.
- At the same time, market dynamics are extremely important to consider (e.g. decline in dairy consumption and declining producer prices), which may limit the appetite for producers to take on credit as there is a higher market uncertainty and lower returns.

4. What relevant/ actionable research products will best influence companies and public policy?

Evidence-based research products, including those developed by UW, generate important opportunities to directly influence public policy, which in turn can drive action and influence companies and other

stakeholders. For instance, through UW's research, companies and other organizations are very interested in their findings on the structure of cattle supply chains and their implications for traceability and monitoring. One example from Year 2, which has been an important product to influence companies in terms of GESI, is the Oil Palm GESI Analysis, conducted by Solidaridad in Peru. It is the first study of its kind for the sector in Peru, and is thus an important document that is expected to inspire advocacy and change. The report, which was developed through participatory methods, is being validated by diverse stakeholders and its results disseminated to private sector companies, public sector officials and producer associations, among other stakeholders. In March the preliminary report was presented to the Ucayali Palm Oil Technical Roundtable, and the expected next steps are publication and dissemination of the report in sector wide platforms, such as the Coalition for Sustainable Production.

7.6 Colombia summary

The following page includes an executive summary for activities implemented in Colombia.

Executive summary for Activities Implemented in Colombia

Amazonia Connect, a partnership between the United States Agency for International Development (USAID), Solidaridad, the Earth Innovation Institute (EII), the National Wildlife Federation (NWF), and the University of Wisconsin-Madison (UW), aims to promote and scale the adoption of low-carbon agriculture (LCA) and deforestation-free commodity production (DFP) to improve biodiversity conservation and support climate action in Brazil, Colombia, and Peru. The Program focuses on coffee, cattle, and oil palm in regions with high levels of commodity-driven deforestation, greenhouse gas (GHG) emissions, and biodiversity.

While this report details the progress of Amazonia Connect during the first half of the second year of the Program, covering the period from October 1, 2023, to March 31, 2024, this summary focuses on the activities implemented within Colombia.

ACTIVITY IMPLEMENTATION PROGRESS⁷⁰

Development Objective (DO) 1. LCA/ DFP and sourcing models scaled in key Amazon jurisdictions

Pathway 1.1 focuses on scaling the implementation of LCA. Solidaridad continues to build on the advances of Year 1, where the team conducted key baseline analyses and set the foundation for scaling and building trust-based relationships with farmers, private sector partners and governmental authorities, among other stakeholders. During this reporting period, the team focused on reaching out and training additional producers, and increasing the adoption of LCA practices by coffee and livestock producers in Caquetá. So far, the team has trained 764 persons in Colombia on LCA (32% women), including 409 livestock producers (134 women) and 355 coffee producers (114 women).⁷¹

Pathway 1.2 supports companies in implementing LCA and DFP sourcing and production guidelines. Since the Program's inception, the consortium team has worked closely with private sector partners to gain insight into their operations, current policies and strategies, and overall aspirations for sustainable sourcing. In Colombia, the team provides targeted technical assistance to support farmers who wish to undergo assessment and attain internal certification under Nestlé's [Regenerative Agriculture Reference Framework](#). So far, the team has supported 7 producers (1 women) who received a monetary incentive for achieving this certification.⁷² Due to reasons beyond the Program's control, the coffee teams in Colombia had to adaptively manage the departure of Nespresso, which occurred near the end of Year 1. Solidaridad is developing a cooperative agreement with the company Siruma, which will focus on scaling up LCA and promoting deforestation-free sourcing in Caquetá. The program aims to reach the same number of producers over the same area (1,100 producers over 14,036 ha). USAID approved this change in private sector partners on May 13, 2024. Since receiving this formal approval, Solidaridad in Colombia is working closely with Siruma Coffee to define the scope of activities, and develop a formal cooperation agreement. This agreement should be finalized in the upcoming reporting period.

Pathway 1.3 supports jurisdictional actors in Colombia and Peru to incorporate LCA and DFP models and principles within their jurisdiction through low-emission rural development (LED-R) strategies. In Colombia, despite the turnover of officials due to regional elections in 2023, progress was made in implementing the LED-R Strategy in Caquetá; the team supported the facilitation of strategic planning meetings, conducted capacity-building efforts with key authorities and institutions (e.g. Secretariat of Agriculture and Environment in Caquetá, and the new lead of the Caquetá's Climate Change Subnode), and designed training courses for the formulation of sustainable projects for low-emission development to enable the newly elected/appointed government officials in Caquetá to learn about the Departmental LED-R strategy and incorporate its objectives within the pluriannual development plan under the new administration.. Other advances included the updating of the online platform *Caqueta Sustentable* in consultation with government partners to

⁷⁰ Note: Only one indicator is reported on a semi-annual basis, which is the indicator GNDR-2 "Percentage of female participants in USG-assisted programs designed to increase access to productive economic resources". Other indicators are reported either annually or at years 3 and 5. For more detailed information on the indicators and their reporting frequency, please refer to the [MEL Plan](#).

⁷¹ This corresponds to the indicator GNDR-2. Official indicator trackers have had the row for GNDR-2 updated, including [this file](#) comprising the aggregated and Colombia-specific google sheet, and [this file](#) that presents the disaggregated results.

⁷² The team aims to support a total of 30 producers in Year 2, with most of the progress anticipated in the second half of the year.

communicate the main actors, purpose, and goals of Caqueta's LED-R strategy. In Meta, the team collaborated with the Environment and Agriculture Secretariats to develop a roadmap outlining the process and key milestones for the development of the LED-R strategy, which will serve as a key orientation document for stakeholders in the Department.

DO 2. Full supply chain monitoring systems adopted by companies for deforestation-free sourcing and biodiversity conservation

Pathway 2.1 involves improving and adapting supply chain monitoring tools, such as Visipec and Visiprast, and in some instances applying these tools to new commodities and countries. In Colombia, NWF, UW and Ecosocial improved land cover change analysis and enhanced Visiprast by integrating new forest cover data and improving traceability modules. The team also participated in the newly established Traceability Roundtable led by the Ministry of Agriculture and Rural Development. This initiative aims to garner expertise on traceability, evaluate existing data systems, including the Ganabosques tool, and explore opportunities for interoperability with tools such as Visiprast, potentially allowing data exchange between the two platforms.⁷³ Finally, with the support of Tropical Forest Alliance, the umbrella organization of the Zero Deforestation Agreements (ZDAs), the team engaged with the Global Forest Watch (GFW) team in Colombia to further investigate how to enhance interoperability between both platforms, such as connecting GFW early alerts to Visiprast. This work overall serves to address the major challenge in Colombia, which is a need for increased coordination among stakeholders in DFP systems.

Pathway 2.2 emphasizes companies' use of monitoring tools in their supply chains, prioritizing high biodiversity areas. In Colombia, the team brought two additional companies to pilot Visiprast: Lacteos La Maporita S.A. in Caquetá and La Catira Industria Láctea in Meta. Both these companies are signatories to the dairy ZDA. The team also continues to discuss piloting opportunities with Alkosto and Takami, who were engaged starting in Year 1. The team will likely finalize the structure of the pilot with Alkosto in the next reporting period. Regarding Takami, their team has adjusted their priorities, expressing interest in piloting Visiprast nationally, but they want to do initial data collection with producers in departments that are outside the Program's initial scope. While the team will continue discussions, data collection within the departments in the Program area is on a longer timeline for the company.ear. In Peru, the team initiated a pilot with Alicorp and three of their mills in Ucayali. In March, the team held a series of in-person meetings with each mill to explain the Visiprast tool and how to use it, and to set out a work plan with each mill moving forward, including how to obtain more polygons and support each mill to use the traceability tool to assess the DFP status of their suppliers, as well as other data that is useful for their work, such as the quantity they purchase from each supplier.

Pathway 2.3 promotes traceability and monitoring of supply chains in different forums, encouraging more companies and stakeholders to take up these tools and transition towards deforestation-free supply chains. In Colombia, the team made progress in disseminating and implementing monitoring and traceability tools within multi-stakeholder platforms, particularly within the context of the ZDAs. The team has led discussions with the Beef and Dairy Secretariats of the ZDAs to understand the needs and challenges of participating companies and promote the use of Visiprast. Additionally, Ecosocial assumed leadership of the Monitoring and Information Group of the Dairy and Beef agreements, presenting plans to implement monitoring and Measurement, Reporting, and Verification (MRV) pilots with signatory companies using Visiprast. Ecosocial has also supported the Ministry of Agriculture in establishing a technical traceability group, aligning with ZDAs while addressing specific government needs and involving stakeholders outside the agreements. These are significant efforts in enhancing traceability and monitoring in Colombia's beef and dairy sectors.

DO 3. Finance and incentives unlocked to accelerate LCA and Deforestation-Free Production

⁷³ While this Roundtable holds significant potential for establishing national traceability and monitoring in the cattle sector and is an opportunity to provide valuable feedback on the scope of that effort, it is currently suspended due to personnel changes within the Ministry.

Pathway 3.1 helps mobilize a variety of public and private investments and other incentives to scale LCA. In Colombia, EII and Solidaridad work closely to leverage impact. The team updated the financial offer and investment plans for coffee agroforestry, and developed a clear business plan for low-carbon livestock, building on foundational work from Year 1. They are engaging with financial institutions, such as the Fund for Financing the Agricultural Sector (Finagro), Bancolombia, the Public Bank in charge of agricultural financing (Banco Agrario) and the Banking and Financial Institutions Association of Colombia (Asobancaria), to enhance LCA offerings. The team is also developing innovative tools, including a Fintech platform and a credit scoring tool for low-carbon livestock.. Capacity-building initiatives such as training technicians and designing a school of sustainable finance to boost financial literacy (for coffee and livestock producers) are also underway. However, market conditions in Caquetá can deter producers from seeking credit due to high interest rates and declining commodity prices. The team is also closely analyzing tax exemptions and other incentives in the Department (e.g., payment for ecosystem service mechanisms).

Pathway 3.2 focuses on increasing the monitoring of financial products and public investments for deforestation and biodiversity risks. In Colombia, Solidaridad is collaborating with Finagro, Banco Agrario, and non-governmental organizations (NGOs) to improve deforestation monitoring for risk and credit analysis. By the end of the Program, the team aims to scan 100 credit applications for deforestation risks. Currently the team is working closely with the Green Finance Roundtable working group on monitoring risk and credit analysis on defining a deforestation monitoring standard, which will serve as the basis for this work. The team is also advancing with a pilot for low-carbon livestock farming in Caquetá and Meta, where the team is working with Banco Agrario to develop an environmental risk management methodology based on a deforestation analysis model that would enable efficient monitoring and control parameters of environmental risks.

DO 4. Research turned into actionable knowledge for supply chain stakeholders to reduce deforestation and improve biodiversity conservation

Development of applied research that strengthens private sector strategies to reduce deforestation and improve biodiversity conservation: UW's research in Brazil, Colombia, and Peru during Year 2 has uncovered additional insights crucial for combating deforestation and promoting biodiversity conservation. In Colombia, research on cattle movement highlights new insights into the supply chain, aiding efforts to implement monitoring and traceability. The team's research has supported the identification of the municipalities and slaughterhouses associated with direct and indirect sourcing of cattle from high deforestation municipalities, and led to new insights into the key role that "concentrations" (fairs, auctions, and other such events and venues that bring together groups of cattle to be bought and sold in high numbers) play in the supply chain. These results can help inform ongoing efforts in Colombia (including under Activity 2.3, but also more broadly in country efforts to improve monitoring and traceability) to implement monitoring and traceability as required by the ZDAs, as they provide critical details about the makeup of the upstream cattle supply chain to signatories who are largely operating downstream of the slaughterhouse, or at the dairy or further downstream of it, in these supply chains.

Identify synergies between farm, supply chain, and jurisdictional approaches to scale DFP and biodiversity conservation: EII currently conducts research on two primary approaches to tackle tropical deforestation: the supply chain "zero deforestation" movement and the multi-sector "jurisdictional" approach, noting potential synergies between them, but highlighting a current mismatch in criteria and a risk of a divided market. At the regional level, EII has developed an outline and summary that forms the basis for an upcoming blog and the development of a peer-reviewed academic journal article with the tentative title: *Sustainable, low-carbon, nature-positive food production systems are possible through a blend of jurisdictional and supply chain approaches*. The outline emphasizes that long-term sustainability of food production systems in tropical forest regions is possible through a blend of strong public policies, research and innovation, rural extension and technical assistance, and strong market signals. Jurisdictional approaches feature a strong role for governments and public policies, convening power to unite multiple stakeholders to agree on and pursue sustainability objectives across large territories. Supply chain approaches leverage the power and influence of

the private sector to support sustainable practices and fund their implementation. Furthermore, jurisdictional programs can help farmers comply with market-driven sustainability policies and standards. However, there is a need to fully harmonize jurisdictional and supply chain metrics over time. Currently, jurisdictional metrics are measured collectively (e.g., social and environmental metrics measured across whole territories), while supply chain metrics are generally measured individually against certification or specific sustainability standards.

In Colombia, EII is making progress in identifying opportunities for synergy with the Departmental Secretariat of the Environment and Agriculture in Caquetá to harmonize the departmental development plan indicators with LCA principles, and in Meta through engagement with the regional government to compile multiple programs that foster LCA in an integrated Departmental LED-R strategy. Based on this important progress and the progress described under Pathways 1.3 and 3.1, the team aims to develop a report that describes the main opportunities to harmonize jurisdictional and supply chain strategies in the Program's target regions in Colombia.

CROSS-CUTTING THEMES

Gender Equality and Social Inclusion (GESI): The team advanced in drafting the Program-level GESI Assessment, with contributions from gender focal points and consortium partners. An early draft was positively received by USAID's Gender Equality and Women's Empowerment Hub,⁷⁴ and the team aims to finalize the report in May 2024.⁷⁵ Once finalized, an online learning event on GESI will follow, where consortium teams can share their progress and lessons learned.

So far, 1,052 women have been trained on LCA at the Program level (21% of producers reached) using [Inclusive Technical Assistance](#) practices. In Colombia, GESI Studies for coffee and livestock in Caquetá were completed, and initial dissemination sessions for livestock farmers were held. For coffee, dissemination of results will happen in the next reporting period; meanwhile, the team has trained 75 young people (41 women) through the youth entrepreneurship school in Caquetá.

Related to monitoring and traceability, the tools promoted by Amazonia Connect, including the Visiprast tool implemented in Colombia and Peru and the Visipecc tool implemented in Brazil, integrate datasets supporting the identification of environmental and social risks (e.g., sourcing from deforested areas, protected areas or indigenous reserves, etc.). The tools aid Program research, monitoring, and improved transparency, informing (and potentially) preventing sourcing from sensitive areas.⁷⁶

In terms of jurisdictional work in Colombia, the consortium aims to enhance the participation of women, youth, and Indigenous peoples in the development and implementation of LED-R strategies, promoting inclusivity through collaboration with local stakeholders and multi-stakeholder bodies. In Caquetá, efforts include strengthening institutional capacities on gender equality and highlighting women's roles in sustainability, while in Meta, the team is conducting preliminary studies and engaging diverse stakeholders to inform LED-R strategy design, prioritizing inclusivity in decision-making processes and promoting the involvement of marginalized groups. The certified course "*Formulation of sustainable projects for low-emission development*" offers participation opportunities for women and young people, promoting gender equality and the inclusion of demographic groups. This opportunity is supporting local agricultural organizations, emphasizing that of the two quotas assigned to each one, at least one is expected to be awarded to a woman or a young person.

Collaboration: The consortium team in Colombia held an in-person field visit to Meta to share updates, learn more about each partner's ongoing work, and strengthen collaboration and learning within the team, including with USAID officers from the Colombia and Peru/ SAR Missions. The team visited one of the Program's private sector partners - La Catira- to learn more about their production system and overall experience with Visiprast.

⁷⁴ The team also aims to explore opportunities to collaborate with USAID's Gender Equity and Women's empowerment hub to raise awareness of the GESI measures and good practices implemented through Amazonia Connect.

⁷⁵ Given the timing close to public holidays, the learning event in Peru, and the semi-annual report, the team discussed with the Activity Officer (AOR) that the team will aim to finalize the report in May, to ensure sufficient time for the consortium to review the final complete version.

⁷⁶ In Colombia the tool includes data on indigenous territories, legalized indigenous reserves, and Afro-Colombian Community Lands, among others.

The team closely collaborated with USAID and other US-funded Programs in the framework of the Caquetá Regional Integration Strategy. The consortium actively participates in working groups related to finance, landscape planning, sustainable agriculture, and public investment and agriculture. EII and Solidaridad held meetings with the Finance for Equity (FE), Business Case (BC), and Sustainable Agriculture (SAA) activities to define joint development activities between February and March 2024. Through these meetings, an agreement was made to work together to train Caquetá agricultural extension workers and technical assistants in financial education through Solidaridad's School of Sustainable Finance, supported under DO 3. In addition, additional meetings were held with the Business Case and Sustainable Agriculture to align on activities related to coffee and their work with COOCAFICA, prevent duplication and build on synergies. UW also met with the USAID team to discuss the ongoing biodiversity study within Amazonia Mia to see how their findings can inform the use of biodiversity datasets in Amazonia Connect.

MANAGEMENT AND OPERATIONS

The consortium advanced with key products, including the approval of the [Year 2 Work Plan](#), [the Year 1 Annual Report](#), the [Year 2 Environmental Mitigation and Management Plan \(EMMP\)](#), the [baseline report](#), and the revised greenhouse gas targets. The team also built an innovative dashboard to visualize key information from the Program, including Program Indicators, and support data analysis and learning.

Communication efforts are on track and aligned with the Communications, Branding and Marking Plan. During this reporting period, the team published 17 social media pieces and 17 long-form articles and posts in English, Spanish and Portuguese. The team also rolled out a series of four short films covering the overall program and specific work in Brazil, Colombia and Peru.⁷⁷ In Colombia, articles were published [covering the implementation of LED-R strategy in Caqueta](#) and the [proposed action plan in the department](#).

LEARNING AND ADAPTIVE MANAGEMENT

Throughout this reporting period, the Amazonia Connect consortium navigated various contextual shifts, including transitions in administrations, and changing market conditions (especially for the [national dairy sector](#)), among others. Close collaboration with USAID and other partners facilitated the development of effective adaptive management strategies. Emphasizing trust-building within communities, conducting transparent communication within and outside of the consortium, ensuring flexible management approaches, and utilizing tools such as the Work Plan [Progress Tracker](#) (Annex 7.1), proved indispensable in adapting to the dynamic landscape. Regular communication within the consortium and with USAID is emphasized, supported by bimonthly meetings, and sharing monthly updates and tri-annual newsletters. The upcoming Pause and Reflect Session, planned for May 2024, will focus on connecting the dots across DOs, enhancing coordination across the consortium, and creating more systematized learning, including but not limited to the Program's regional impact.

⁷⁷ Watch the films in [English](#), [Spanish](#) and [Portuguese](#).

7.7 Success story

The latest Success Story for Amazonia Connect is presented on the following pages. The article has been published it to [the website](#), and disseminated via social media on 29 April.

ABOUT FACE IN THE AMAZON: FAMILIES TURN TO ROTATIONAL GRAZING FOR BETTER FARMING

Ranchers in Brazil are changing how they farm and improving their income while reducing their impact on the environment in the process. Extension officers from Amazonia Connect are helping ranchers, like Alaion Costa and Cleuto Prates, make the move to rotational grazing on their farms in the State of Pará.

Five years after Alaion Costa's family had first cleared land on their property in the Tuerê settlement in Novo Repartimento, the land stopped producing. Alaion and his six siblings were forced to work double shifts and multiple jobs to make ends meet and support the family.

A REGIONAL RELIANCE ON LIVESTOCK

Livestock farming in the Amazon plays a leading role in rural areas, with nearly a third of Brazil's cattle herd in the region. Between 2003 and 2013 alone, there was a 200% increase in the number of cattle in the Brazilian Amazon. Data from the 2017 Agricultural Census, produced by the Brazilian Institute of Geography and Statistics (IBGE), shows that Pará alone has the fifth largest cattle herd in the country, with almost 16 million head of cattle. In Novo Repartimento alone, there are 1.6 million animals, making the municipality's herd the second largest in Pará.



After adopting rotational grazing, cattle farmer Alaion Costa was able to quadruple the number of cattle per hectare on his pasture. Photo: JBS Fund for the Amazon/Celio Cavalcante Filho

The expansion of cattle ranching in the Transamazon region of Pará has contributed to ongoing degradation of the Amazon rainforest. In the Tuerê settlement, where Alaion lives, the region is facing challenges due to climate change. Longer dry seasons, poor soil conservation and the loss of native vegetation, have forced ranchers to reckon with the impacts of conventional practices.

FINDING WAYS TO FARM BETTER

It's in this context that farmers in the Tueré, Latin America's largest settlement, are looking for change. The Amazonia Connect initiative – a five-year partnership between USAID, Solidaridad Network, Earth Innovation Institute, the National Wildlife Federation, and University of Wisconsin-Madison – is showing a new path that's focused on the adoption of low carbon agricultural practices and biodiversity conservation in the Amazon biome.

As part of the Amazonia Connect initiative, Alaion has implemented rotational grazing practices on an area of six hectares. Rotational grazing is a process where farmers divide their property into different areas or paddocks and circulate cattle through them. This gives the eaten over pasture time to regenerate, while supporting an increased number of cattle on the same amount of land.

For Alaion, the practice resulted in a doubling of his animals' rate of weight gain, approaching up to 600 grams per day. In addition, the number of animals per hectare the land could support went from two to eight. The new form of management is not just more profitable, it is more practical.

"When you walk to another paddock [pasture area], they [oxen and cows] follow. They even seem to be aware that they're going to a better pasture," says Alaion.

Today, his family is able to rely on income from their ranch and still hire workers to help with the chores. In addition to the increased income, Alaion highlights how intensive pasture management contributes to greater sustainability.

"By using the technique, we can raise more in the areas that are already open and preserve the uncleared areas. This helps to reduce deforestation significantly and contributes to climate action," he says.



With two cattle properties, Cleuto (left) sees intensified management as an alternative to keeping the forest standing. Photo: Renata Ferraz/Fundação Solidaridad

Cleuto Prates, another farmer in the Tuerê settlement, has had a similar experience on his seven-hectare ranch. Two years ago, he began implementing rotational grazing on his property. Now he is able to achieve an annual income of 14,000 Brazilian Reais, roughly 2,680 US dollars.

With the positive results, Cleuto plans to implement rotational grazing on a second farm, also in Tuerê.

"Rotation has been important for improving management. Along with the ease of handling the animals, we also increased production gains," commented Cleuto.

Thanks to their participation in the Amazonia Connect initiative, Alaion and Cleuto have changed the way they manage their pasture and have seen the economic and environmental benefits. According to Paulo Lima, the Program Manager in Brazil, the initiative provides innovative and technological solutions for rural producers and the environment.

"Livestock farming has traditionally been carried out extensively, with limited use of better technologies and practices. In other words, low productivity cattle farming," Lima said. "Over the first year of Amazonia Connect, we managed to raise awareness of methods for reforming pastures and replacing the use of fire [to regenerate pasture]."



With new techniques, rural producers stop deforestation and see an increase in productivity and income. Photo: JBS Fund for the Amazon/Celio Cavalcante Filho

ABOUT AMAZONIA CONNECT

To date, rotational grazing systems have been implemented on 180 hectares, which has had a positive impact on productivity and family income. Over the next years Amazonia connect aims to promote and expand adoption of this and similar practices in the region.

Amazonia Connect collaborates with USAID's Amazon Regional Environment Program, rural producers, companies, local governments and financial institutions, to increase the adoption of low-carbon agriculture and sustainable commodity production in Brazil, Colombia and Peru.