



AMAZONIA CONNECT

Semi-Annual Progress Report

Reporting Period October 2022 – March 2023

Approved Date:

Type of Award & Award Number: Cooperative Agreement No. 72052722CA00002

Implementing Partner: Solidaridad, Earth Innovation Institute (EII), National Wildlife Federation (NWF) and the University of Wisconsin-Madison (UW)

Period of implementation: September 16, 2022 to March 16, 2027

AOR/COR/Activity Manager Name & Office: Isabella Genta, PERU/ SAR

ACTIVITY SUMMARY

- Activity name: Amazonia Connect
- Period of implementation:
 - Award start date and end date: March 17, 2022 to March 16, 2027
 - Start of activity implementation: September 16, 2022
- Type of award and award number: Cooperative Agreement No. 72052722CA00002
- Budget: \$16,367,835
- Implementing partner: Solidaridad
- Subcontractors/ sub awardees: Earth Innovation Institute (EII), National Wildlife Federation (NWF), University of Wisconsin-Madison (UW)
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ABBREVIATIONS AND ACRONYMS

AO	Agreement Officer
AOR	Agreement Officer Representative
API	Application Programming Interface
ART/TREES	Architecture for REDD+ Transactions/ The REDD+ Environmental Excellence Standard
ASOBANCARIA	Banking and Financial Entities Association of Colombia
ASPASH	Shambillo Palm Growers Association
CAR	Rural Environmental Registry
CATIE	Tropical Agricultural Research and Higher Education Center
CFT	Cool Farm Tool
CIAT	The International Center for Tropical Agriculture
CO	Contracting Officer
COCEPU	Central Committee of Palm Growers
COP	Chief of Party
COR	Contracting Officer Representative
CSA	Climate-Smart Agriculture
CSP	Coalition for Sustainable Production
DCOP	Deputy Chief of Party
DFP	Deforestation-free Production
DO	Development Objective
EII	Earth Innovation Institute
EMMP	Environmental Mitigation and Monitoring Plan
EMMR	Environmental Mitigation and Monitoring Report
ESG	Environmental, Social and Governance
EU	European Union
EWF	Earthworm Foundation

FECD	State Force to Combat Deforestation
FONDESAM	Amazon Regional Development Funds
GALS	Gender Action Learning Systems
GHG	Greenhouse Gas
GIS	Geographic Information System
GSI	Gender and Social Inclusion
GTA	Cattle Transit Records
GTFI	Brazilian Indirect Suppliers' Working Group
HCS	High Carbon Storage
HCV	High Conservation Value
HSBC	Hongkong and Shanghai Banking Corporation Limited
IBAMA	Brazilian Institute of Environment and Renewable Natural Resources
IDB	Inter-American Development Bank
IDEAM	Colombian Institute of Hydrology, Meteorology and Environmental Studies
IEE	Initial Environmental Examination
IPCP	Indigenous Peoples Consultation Plan
J-REDD+	Jurisdictional Reducing Emissions from Deforestation and Forest Degradation
LCA	Low Carbon Agriculture
LED-R	Low Emissions Rural Development
MAPA	Ministry of Agriculture Brazil
MEL	Monitoring, Evaluation and Learning
M&I	Monitoring and Information
MI2	Measuring Impact
MoU	Memorandum of Understanding
MPF	Brazilian Federal Public Prosecutor's Office
MRV	Measurement Reporting and Verification

NDPE	No Deforestation, No Peat, No Exploitation
NWF	National Wildlife Federation
ODK	Open Data Kit
ofi	Olam Food Ingredients
OPEC	Organization of the Petroleum Exporting Countries
OSILP	Orinoquía Sustainable Integrated Landscape Program
PCI	Produce, Conserve, Include
PoC	Point of Contact
PPDCAm	Plan for Prevention and Control of Deforestation in the Amazon
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
SAR	South America Regional Program
SARAS	Environmental and Social Risk Management System
SEMAS	State Secretary of the Environment
SINIGAN	National System of Identification and Information of Bovine Cattle in Colombia
SNITA	National System of Animal Identification, Information and Traceability in Colombia
TAC	Terms of Adjustment of Conduct
TFA	Tropical Forest Alliance
UK PACT	United Kingdom Partnering for Accelerated Climate Transitions
UNFCCC	United Nations Framework Convention on Climate Change
USG	Government of the United States of America
USAID	United States Agency for International Development
UW	University of Wisconsin-Madison
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. Amazonia Connect aims to promote the adoption of low-carbon agriculture and deforestation-free production models by producers, monitoring systems by companies, and unlock finance and incentives for producers. The Program also turns research into actionable knowledge for policymakers, companies, and multi-stakeholder platforms to scale the Program's impact in the region.

This report covers the period from October 1, 2022, to March 31, 2023, and outlines the progress made during this timeframe.

Change in context

The Amazonia Connect program encountered challenges in the context of its Activities and at the country level. For instance, in the baseline setting process, the Program faced delays due to external factors such as extreme weather in Colombia and Peru, political unrest in Peru, and transitioning administrations due to elections in Brazil and Peru. The coffee team in Peru dealt with the withdrawal of the private sector partner Olam Food Ingredients (ofi) due to their own capacity constraints. Additionally, the team integrated various innovative elements into the baseline process, which required additional focus and learning. This included deploying the Roundtable on Sustainable Palm Oil (RSPO) carbon calculator for palm oil in Peru which is the largest deployment of the tool for smallholders so far in RSPOs history. The delays affected the overall timing of Program implementation, especially baseline data collection. The team is preparing the baseline report for submission before the end of Year 1.

Emerging regulations to reduce commodity-driven deforestation are also of relevance, as members of the European Parliament have reached a deal with European states to move forward with the [European Union \(EU\) Regulation to curb EU-driven deforestation and forest degradation](#). This will accelerate the need for companies, particularly in Peru and Colombia for coffee and in Brazil for cattle (leather, and to a lesser extent beef) which have the EU as an export market, to set up effective monitoring and traceability systems to ensure commodity production is deforestation-free and produced legally. Amazonia Connect's activities are aligned with these upcoming regulatory changes, and 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. That said, there are further opportunities that could be tapped or scaled to support producers and companies to understand and comply with the regulation, and create a good example of how to engage smallholder producers throughout this process. Each country team will explore this further in the second half of Year 1 in close collaboration with USAID.

Activity implementation, progress and results

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

The consortium is progressing in promoting LCA models in Brazil, Colombia, and Peru. In Brazil, the team conducted outreach with farmers, and training and targeted technical assistance have supported farmers adopting LCA practices, including rotational grazing. The team in Colombia completed baseline data collection for coffee and livestock, and they participated in workshops to introduce the program and establish trust with producers. Solidaridad is also in the process of establishing a Low Carbon Livestock School to teach innovative LCA livestock practices in Caquetá. In Peru, the baseline process is ongoing for both coffee and palm oil supply chains. Solidaridad built a relationship with Volcafe, who was engaged after ofi withdrew from the program.

¹ This executive summary has been translated into Spanish (available [here](#)), and Portuguese (available [here](#)).

The team in Peru regularly engaged with the technical team at Volcafe to develop a cooperation agreement, signed in February 2023.

Challenges faced related to LCA interventions included, among others: delays due to extreme weather, political unrest, and the time required to formalize and strengthen partnerships with private sector partners, and build trust with producers. During the assessment process in Peru, the team identified a potential risk of deforestation. As a result, additional screening exercises will be conducted along with the baseline assessment to ensure comprehensive results. Several activities in Colombia and Peru have been affected by these aforementioned delays,² requiring additional time than initially planned (in some instances expanding into Year 2 - see Annex 8.1). In terms of the Work Plan targets in Year 1, Solidaridad decided to scale down the baseline sample sizes while ensuring they were statistically representative to focus resources on designing and implementing LCA models. The baseline report, which will detail the methodology and results, is set to be completed in August 2023.

Concerning jurisdictional interventions to increase the adoption/integration of LCA in low-emission rural development (LED-R) strategies, the consortium, through EII activities, has made progress in engaging with regional governments in Colombia (Caquetá and Meta) and Peru (San Martín and Ucayali). In Meta, the team is in communication with the BioCarbon Fund's Orinoquía Sustainable Integrated Landscape Program OSILP, identifying key synergies and seeking to strengthen coordination with the development of the LED-R strategy in Meta. Meta has experienced delays due to the need to align with the BioCarbon Fund Program and government transitions.³ In Caquetá, EII is advising the regional government on the implementation of LCA models and DFP and supporting them in incorporating measures and indicators for these models into the LED-R action plans. In Peru, EII identified technical committees to work with on LCA approaches and for implementing LED-R strategies in San Martín and Ucayali. Despite some delays and changes in regional technical commission representatives,⁴ the team expects progress in Peru to pick up in the second half of Year 1. Major upcoming activities include attending regional meetings and providing ongoing technical assistance.

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

DO 2 helps companies address socio-environmental challenges and new due diligence legislation in their supply chains by promoting improved monitoring and traceability tools to identify risks and promote Zero Deforestation Agreements (ZDAs).

In Brazil, the consortium is improving the Visipec tool, integrating updated cattle transit (GTA) records and rural environmental registry (CAR) data, and identifying biodiversity datasets to incorporate into the tool. They are also engaging with companies such as Frigol and Masterboi, providing guidance and technical assistance on deforestation-free sourcing and the use of Visipec. The consortium plans to continue integrating biodiversity data into Visipec's monitoring and risk assessments and to develop synthesized biodiversity metrics

² CO 1.1.1 "Assessment of 900 coffee producers and 450 livestock producers in Caquetá", CO 1.1.2 "Development and initiation of 1,000 improvement plans", CO 1.1.3 "Support, training and capacity building of 50 field technicians and 1,000 producers", PE 1.1.2 "Provide field booklets to 90 lead producers", PE 1.1.3 "Implementation and maintenance of LCA/DFP demonstration farms", PE 1.1.4 "Commodity-specific gender equality and social inclusion study", PE 1.1.6 "Provide technical support in oil palm traceability to Alicorp, Olamsa and Olpasa", PE 1.1.8 "Baseline assessment for oil palm production" PE 1.1.9 "Selection and training of 25 coffee producer leaders", PE 1.1.10 "Implementation of 25 demonstration farms for coffee producers", PE 1.1.11 "Communications materials developed for training coffee producers", PE 1.1.12 "Use of social media to disseminate LCA coffee practices", PE 1.1.13 "Radio programs for coffee producers to communicate about day to day implementation of LCA", PE 1.1.14 "Visit of producer leaders to coffee farms in San Martín", PE 1.1.15 "Training project technicians of Volcafe", CO 1.21 "Formulation and/ or implementation of LCA and DFP sourcing guidelines by Nestlé and Nespresso" and "Formulation and/ or implementation of LCA and DFP sourcing guidelines by Volcafe (coffee) and Alicorp (palm)" are all delayed.

³ CO 1.3.2 "Initiate a multi-stakeholder dialogue process to develop a LED-R strategy in Meta," and CO 1.3.4 "Organize two workshops to initiate the development of the LED-R strategy in Meta" are delayed.

⁴ PE 1.3.2 "Identify and create strong linkages between project objectives, interventions, milestones and outcomes of LED-R strategies", and PE 1.3.3 "Support local governments to adapt LED-R strategies in their jurisdictions" are delayed

appropriate for property and company-level analyses to help inform companies sourcing decisions. In Colombia, the team generated an inventory of available data related to biodiversity and deforestation, and mapped supply chain infrastructure for cattle (beef and dairy supply chains). NWF's sub-awardee Ecosocial produced various advances in the Visiprast tool development and functionality, including a dynamic map and a transaction module for producers and companies to register their sales and purchases. The consortium is developing and signing a collaboration agreement with Alkosto and Takami to test Visiprast. In Peru, the consortium is identifying the main actors in the palm oil supply chain in the Ucayali region and conducting individual interviews or surveys with Alicorp and selected mills to understand their needs and identify the data required for monitoring and traceability.

The delays in Peru are specifically related to DO 1; additional screening is necessary to adequately assess the deforestation risk for potential beneficiaries. Solidaridad proposes to cancel Activity 2.3.2 "propose on-farm deforestation monitoring methodology for coffee to Volcafe" during Year 1, in order to focus their efforts on building the relationship with Volcafe and implementing the LCA models and catching up with the delays experienced under DO 1. The team would take up this Activity again in Year 2.

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 an increase in:

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

In Brazil, the EII team assessed the most suitable options for valuing jurisdictional REDD+ projects in Mato Grosso. The government of Mato Grosso decided to sell forest carbon credits under the Architecture for REDD+ Transactions "the REDD+ Environmental Excellence Standard" (ART/TREES) based on EII's findings. The government of Mato Grosso also decided to establish a new public-private entity to transact the carbon credits, with EII's Brazil team providing tailored technical support. EII proposes to cancel Activity 3.1.4 "Creating an ex-ante fund to finance J-REDD program development" as the government of Mato Grosso no longer sees the need for this fund. The Activities in Mato Grosso have all experienced delays,⁵ largely due to turnover at PCI Institute and other government delays.

NWF continues to engage with financial institutions and investor groups, including HSBC, CERES, Santander, Bradesco, Itau, and the Brazilian Federation of Banks (FEBRABAN), among others. They have discussed the team's work in supporting meatpackers monitor their supply chain, key opportunities and barriers to achieving this, and how financial institutions can influence and accelerate the availability of financial products offered to ranchers for the adoption of LCA.

In Colombia, EII and Solidaridad established a working group where both teams will work on identifying suitable incentives and financing mechanisms to facilitate the transition to LCA production systems. Due to the change in national government and macroeconomic conditions, there is a delay in the change of the credit offer for this year. The team expects the release of the new offer during the second quarter of 2023. . Due to current uncertainty about the supply and conditions of credits and the complexity of the monitoring models to be supported, the team proposes to postpone Activities CO 3.1.4 "Tailor and replicate blended finance mechanisms to de-risk investments" and 3.1.6 "Credit scoring integrated with Extension Solution", and shift their implementation from Year 1 to Year 2 . Activity CO 3.2.1 "Roll-out of monitoring and MRV tool across financial institutions" is also delayed; its implementation will begin in September 2023 and extend into Year 2.

⁵ BR 3.1.1 "Options assessment for valuing carbon emissions (J-REDD projects)", BR 3.1.2 "Adapting an existing public-private entity to transact J-REDD credits", and BR 3.1.3 "Support to reconvene state REDD council to negotiate benefit sharing agreement" are delayed.

In Peru, the EII team is collaborating with regional governments to design public investment programs and improve the call for competitive funds to promote LCA. The Solidaridad team in Peru, along with Program partners, provides technical assistance to local governments to implement and monitor LED-R strategies. Solidaridad, in Peru, is facilitating the piloting of ACORN with 300 coffee producers in San Martín to help farmers access carbon markets and receive compensation for providing a vital ecosystem service. NWF proposes to postpone Activity PE 3.2.4 “Engage with international investors in the sustainable oil palm sector” given that the work with Alicorp under DO 1. is delayed and there is limited new information that NWF could share with investors. The team will revisit the Activity during annual planning for Year 2 or 3.

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 gain information by/from 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.

In Brazil, the UW team researched cattle supply chains, including supplier fidelity, and the implications for improved traceability in cattle supply chains. In October 2022, UW published their paper “[Protected areas still used to produce Brazil’s cattle](#)” in the scientific journal *Conservation Letters*, which received press coverage [in Brazil](#) and [the United States](#). They also worked with NWF to develop a plan for presenting data about biodiversity in supply chains in an actionable way for companies. In Colombia, UW mapped beef and dairy supply chain infrastructure nationally and estimated supply sheds using area-based methods and animal transactions. They also created a series of initial maps showing the overlap between these supply sheds with forests, deforestation and high biodiversity areas. UW drafted a scientific article evaluating how different properties and supply chains impact forests, deforestation, and biodiversity. UW is preparing these findings for publication and presented initial results at the 2023 American Association of Geography conference in March. In Peru, UW evaluated the extent of palm plantations in Alicorp’s supply shed relative to property sizes and land use history, and is evaluating the best options for initial biodiversity metrics.

EII is in the initial stages of their research to identify synergies between farm, jurisdictional and supply chain approaches to scale deforestation-free production and biodiversity production. The team initiated discussions with the jurisdictions covered by Amazonia Connect. By the end of Year 1, they will complete an outline for their research work plan. This research largely depends on the work conducted in other DOs and Pathways, and builds on the entire consortium’s work. The upcoming Pause and Reflect Session in June 2023 will serve as an important opportunity for the consortium to reflect on lessons learned so far, synergies, and implications for the learning questions and applied research in the context of Amazonia Connect. Delays have occurred in PE 4.1.3 “Report describing the main opportunities for harmonizing jurisdictional and supply chain strategies in each target region,” 4.1.4 “Design adaptive management plans for each target jurisdiction to implement harmonized jurisdictional and supply chain strategies in each region,” due to extreme weather, unrest and government transitions. The team proposes extending Regional Activity 4.1.1 “Report describing the main opportunities for harmonizing jurisdictional and supply chain strategies in each target region” by three months until December 2023 (within Year 2). The rest of the activities are still feasible within Year 1.

Management and operations

From a management and operations perspective, the consortium has advanced with key products, including the approval of the Monitoring, Evaluation and Learning (MEL) plan and the Communications, Marking and Branding plan. The team initiated background studies for the Gender and Social Inclusion (GSI) assessment and the Indigenous Peoples Consultation Plan (IPCP). The aim is to finish both tasks by the end of Year 1. The consortium team has scheduled a Pause and Reflect Session for early June 2023. During this session, they will

reflect on the progress made so far, lessons learned, required adjustments, planning for Year 2, and an overall reflection on key topics such as assumptions in the theory of change and research questions.

Cross-cutting themes, progress and results

The Amazonia Connect Program made significant progress and results in cross-cutting themes such as gender equality and inclusion, capacity strengthening, communications, and collaboration. Regarding gender equality and social inclusion, Inclusive Technical Assistance training for livestock, considering the GSI assessment, is in place for field staff in Peru and is planned for field staff in Brazil. In Peru, The GSI assessment for oil palm is experiencing delays. Still, the GSI assessment for Amazonia Connect will happen during Year 1.. With regards to capacity strengthening, the team has been training staff on LCA following the training plan developed and submitted to USAID, raising awareness about the team’s work and findings through various engagements and partnerships, and developing a monitoring protocol. NWF, Ecosocial, and UW are also building private sector partner capacities and conducting internal technical calls for Geographic Information System (GIS) teams. EII is providing technical assistance to regional governments and attending workshops for capacity-building. In terms of communications, with the approval of the Communications & Marketing and Branding Plan (see Chapter 6.2), the team is generating content for Amazonia Connect, including training materials, social media posts, and a web landing page for Amazonia Connect. The team is also creating an introductory film for each country, due by June 2023. More content, such as interviews, testimonials, and training materials, will follow. In Brazil, UW and partners promoted Amazonia Connect through social media posts, webinars and meetings. Colombia developed and published social media posts about the baseline process and collaborated on the Amazonia Connect film, while Peru created training materials on carbon credits and LCA. Regarding collaboration, meetings in Brazil and Colombia were held to discuss LCA, jurisdictional work, and traceability in the cattle and coffee sectors. Solidaridad in Colombia and Nespresso collaborated to create a joint work plan, as well as promoting Visiprast in beef supply chains. In Peru, Rabobank and USAID visited coffee farms to learn about LCA models. EII led a meeting with newly elected governors to learn about Amazonia Connect and held meetings with the Ministry of Agriculture and Alicorp to introduce Amazonia Connect and Visiprast. Coordination efforts with the Palm Regional Roundtable and Palm Leading Group promoted sustainable policy development for palm in Ucayali.

Learning and Adaptive Management

The Amazonia Connect consortium has faced challenges outside its control. Strong collaboration with USAID and among partners contributed to advancing the work and shared goals of the consortium, and the successful engagement with farmers, women, and youth in the process, gaining insights for effective intervention strategies for LCA. The latter will continue with ongoing commodity-focused GSI assessments with cattle and coffee in Colombia, palm oil in Peru, and the Program-level GSI Assessment.

Going forward, it will be important to continue tracking changes as the Program operates in an extremely dynamic environment. The semi-annual report outlines adjustments required in the Work Plan that takes into account, among others, the need to perform specific activities including (among others): to continue to build trust with communities, overcome logistics challenges in the regions, and foster regional ownership in jurisdictional processes. Changes in administrations have also led to turnover and changing commitments, which requires the team to adjust their timing and meaningfully engage with new officials or, at times, officials with new or changing mandates. The team continues to track policy and regulatory changes internationally as well as in the direct Program area to assess potential implications on Amazonia Connect and if there is a need for tailored support since many of the commodities and companies supported are engaged in international markets.

As this is the Program’s first year of implementation, there is also substantial learning in how to work together and what level of coordination is both efficient and effective. A Pause and Reflect Session will be held in June 2023 (see Chapter 6.5), which will have space to further reflect on the progress so far and required adjustments.

2. Introduction

The Amazon rainforest is the largest remaining tropical rainforest and one of the most biodiverse places in the world. By absorbing more than 3% 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 carbon source.

Amazonia Connect is a partnership between USAID, Solidaridad, EII, NWF, and 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 and deforestation-free commodity production 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 Low Carbon Agriculture (LCA)⁶ and Deforestation-Free Production (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.

Semi-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, 2022, to March 31, 2023.

⁶ 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/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. Context

This chapter provides an overview of changes in context at the Activity and country level that have occurred during the period from October 2022 until March 2023, including a brief discussion on the implications for the implementation of Amazonia Connect.

3.1. Overall Activity

- **Baseline process:** The baseline process took longer than expected due to circumstances out of the team's control. In Colombia, La Niña brought heavy rains that delayed teams from getting into the field for data collection. Coordination with Nestlé also required additional time to arrange administrative details for the joint implementation of the initiative in the field. In Peru, political unrest, protests, and heavy rains due to the Yaku cyclone led to delays in meeting key partners and required teams to take additional precautions for travel. Also, the private sector partner ofi withdrew from the project due to capacity constraints on their end, leading to a delay as the team brought Volcafe onboard and needed to develop a shared understanding of the Program.

The teams integrated several innovative elements into the baseline process, which required additional focus and learning by doing. The coffee team in Peru is deploying the Cool Farm Tool (CFT) Application Programming Interface (API) for coffee for the first time, while the palm oil team is conducting the largest deployment of the Roundtable on Sustainable Palm Oil (RSPO) carbon calculation tool for smallholders so far in RSPO's history, requiring substantial data collection and several meetings with RSPO.

Although delays have affected the overall timing, the baseline report will be completed before the end of Year 1. Chapter 6.1 provides more detailed information on the baseline process and Monitoring, Evaluation and Learning (MEL) for Amazonia Connect.

- **Regulations to reduce commodity-driven deforestation:** 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),⁷ where the EU is a key export market. While the regulation is not expected to come into full force until late 2024,⁸ 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.⁹

The Amazonia Connect team is also closely observing the policy landscape in the US (such as the [FOREST Act](#), the New York Deforestation-free Procurement Act, and the evaluation of options to reduce international commodity-driven deforestation as set out in the [Executive Order on Strengthening the Nation's Forests, Communities and Local Economies](#)). 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.

Amazonia Connect'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

⁷Europe 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).

⁸ 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](#))

⁹ 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](#).

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. It is important to discuss such changes in context in the Pause and Reflect Session to delve further on related risks (e.g., leakage), synergies and opportunities to potentially expand the scope of the Program to help Governments, companies and producers prepare.

- **High levels of inflation and increasing prices:** The effects of the Ukraine war coupled with the lasting impacts of the pandemic, new COVID-19 strains, Organization of the Petroleum Exporting Countries (OPEC) supply cuts, corporate price increases, as well as nominal wage inflation lagging behind price inflation contributed to global inflation rising from 3.5% in 2021 to 8.8% in 2022 ([IMF 2023](#)). In 2022, Peru reached an inflation rate of 8.46% ([Reuters 2023](#)), Colombia 13.12% ([Bocanegra 2023](#)), and Brazil 9.3% ([Ayres 2023](#)). Inflation was set to slow down towards the end of 2022 and the beginning of 2023. However, recent banking turmoil and geopolitical conflicts changed this forecast. This has proven especially challenging for emerging market economies and those in the global South. In Amazonia Connect, there is a risk that rising prices may strain budgets. For example, in the case of implementing LCA in Brazil, the cost of establishing rotational grazing systems increased, varying from the cost estimated by the team in the Program's inception and budget planning for Year 1. Each year, the budget will be carefully assessed based on recent prices, with some allowance for inflation. However, there is still a chance that rising prices may strain the Program's budget. In general, LCA practices are well positioned to support farmers within the context of a volatile market and world, as they aim to enhance productivity, reduce GHG emissions, and enhance the resilience of farming systems and the farmers who depend on them for their livelihoods. For example, LCA practices such as agroforestry can support farmers to cope with market and climate shocks through diversifying production (e.g. fruit, timber, coffee). Circular LCA practices such as composting and green fertilizer to maintain or enhance soil health, and can help reduce the cost and dependence on synthetic fertilizers where costs have been [skyrocketing](#) globally.

3.2. Brazil

- Brazilian general elections were held in October 2022, which resulted in a change of administration. President Lula da Silva was sworn into office on January 1, 2023. This change in administration resulted in a variety of new developments:
 - Under the new administration, there are now 37 ministries (14 more than the prior administration). The Lula Administration prioritized addressing climate change, creating the potential for a robust new national policy framework for incentivizing farmers to protect and restore forests on their land and to adopt LC practices. The Casa Civil (Chief of Staff and team) leads this policy formulation process; low-carbon commodities are also a top priority of the Ministry of Agriculture (MAPA). In addition, the administration aims to increase environmental inspection at the federal (Brazilian Institute of Environment and Renewable Natural Resources, IBAMA) and state levels (State Force to Combat Deforestation, FECD), and the [Plan for Prevention and Control of Deforestation in the Amazon](#) (PPDCam) will now be reinforced and expanded.
 - With the change in administration, jurisdictional interventions have been delayed under Amazonia Connect due to government turnover associated with the transition (see Chapter 4, Pathway 1.3 for more details).
 - A new [MAPA traceability working group](#) has been formed to review, study, and propose updates to the animal identification system and traceability of cattle and buffalo.
 - The Amazon Fund was [reinstated](#), and the US will be a part of it this time, pledging USD \$500 million over the next five years.

Overall the change in policy direction is considered well-aligned with Amazonia Connect and strengthened policies, monitoring and enforcement by the Brazilian government should help curb further deforestation in the Program region.

- Prodes¹⁰ Amazonia integrated an additional feature that monitors the clearing of [non-forest vegetation](#) in the Amazon biome in Brazil. According to the newly provided data, cleared non-forest areas cover approximately 280,000 km² in the Amazon biome in Brazil, which corresponds to 6.6% of its area. For now, Visipec does not include clearing non-forest vegetation data; however, the team is following policy developments to see if Terms of Adjustment of Conduct (TAC) compliance will be expanded to also cover these areas.
- The Brazilian Federal Public Prosecutor's Office (MPF) will begin to issue [legal actions](#) against slaughterhouses that did not sign TACs in Pará. UW will support the MPF in Pará in developing a protocol for monitoring indirect suppliers under the TAC.
- The first audits of the TAC in Mato Grosso are expected to be released in 2023. The team is hopeful that these audits will be a step toward improved GTA data access in Mato Grosso, which would allow the team to update and offer Visipec in Mato Grosso again.
- Given this change in context, there is a strong momentum and interest in Brazil to act on deforestation, and engage key public and private sector actors to adopt good practices and effective monitoring and traceability systems. However, there is an urgent need to build on this momentum and ensure that these actors are adequately supported to ensure that they adopt robust, effective and efficient tools and approaches. The team aims to further discuss these opportunities in the PRS, and in the coming months given high profile events in Brazil, such as the Belem Summit in August 2023.

3.3. Colombia

- Weather conditions due to the La Niña weather phenomenon resulted in extreme and prolonged rainfall that at times created dangerous travel conditions. Solidaridad's field staff closely monitored the weather to plan any field visits and ensure suitable conditions while guaranteeing their safety. This contributed to a minor delay in the baseline process.
- There has been an increased presence of illegal armed groups and illegal cultivation of coca plants in some areas associated with coffee cultivation in Caquetá. This hinders work in some of the areas of the Program.
- Producers in the LCA intervention area often have a general mistrust of development organizations entering their area. Some producers feel that their needs and perspectives have not been considered by development organizations in past projects (e.g., during the formulation of intervention plans), and at times they have felt used. They perceive that organizations were only concerned with signing attendance lists and checking a box instead of tailoring projects to producers' needs and demonstrating a commitment to achieving tangible results for producers. In some instances, organizations breached the agreements they had with producers. Thus, efforts are needed to build trust and gain producers' confidence in the Program.
- Colombia's National Development Plan (2022-2026) projects a restructuring of public financial entities, which might generate changes in the supply side of financial products. Attention will be paid to any changes during 2023, as it could affect credit conditions. This is particularly relevant for the agricultural sector, where the majority of financing is from public financial institutions.
- Gustavo Petro's environment ministry increased the ambition of the country's tree planting and forest restoration goals, aiming to reforest and restore 750,000 ha of forests by 2026. However, Petro's government made a more conservative commitment to reduce deforestation, stating that annual deforestation will be reduced to no more than 140,000 ha of forest loss by 2025, while the prior administration aimed to limit forest loss to 100,000 ha annually.
- A [bill to create mechanisms to track cattle](#) in Colombia and prevent deforestation was introduced into the House of Representatives in Colombia (*Cámara de Representantes de Colombia*). The purpose of

¹⁰ *"The PRODES project carries out satellite monitoring of clear-cut deforestation in the Legal Amazon and produces, since 1988, annual deforestation rates in the region, which are used by the Brazilian government to establish public policies. For more information click [here](#)"*

this proposed Law is to consolidate the existing animal traceability systems in Colombia, such as the National System of Animal Identification, Information and Traceability and the National System of Identification and Information of Bovine Cattle, as an instrument for the fight against deforestation in the country and the creation of the "deforestation-free beef" certificate. This aligns with Amazonia Connect's efforts to reduce commodity-driven deforestation. The team is in contact with key actors in the sector (including beef and dairy companies and other actors engaged in the sectoral zero deforestation agreements), and is tracking the developments to learn if there are implications for their work.

- On October 30, 2022, in the municipality of Cartagena del Chaira in Caquetá, the [first social agreement to contain deforestation was signed](#) between the Minister of Environment and Sustainable Development, Susana Muhamad, and representatives of Community Action Boards (community-centric civil society organizations) and other local organizations. This agreement signals the department's and municipality's commitments to reduce deforestation and is seen as a positive development in line with the objective of Amazonia Connect and the work done under their jurisdictional approach.
- The above described change in context is key for the team to follow. The presence of illegal armed groups and security concerns need to be monitored to ensure the safety of program personnel. The change in political context is critical for program implementation, where increasing interest in tracking and monitoring cattle production may lead to additional leverage of Visipec and the team's expertise in monitoring and traceability. Local policies, such as the municipal agreement to contain deforestation, are also vital to build on local momentum to create ownership for jurisdictional processes and the implementation of the LED-R.

3.4. Peru

- On December 7th, 2023, Vice President Dina Boluarte was sworn in as Peru's next president after Congress voted out President Pedro Castillo shortly after he dissolved the legislative body. Consequently, a new cabinet was recognized, changing key political counterparts at the national level (Ministry of Agriculture Development and Irrigation, and Ministry of Environment).
- Demonstrations and protests against the Government of Peru intensified since December 2022 and are ongoing. Between December and February, nationwide blockades of highways and main access roads occurred, with the protests mainly concentrated outside of the Program intervention areas. The Government set emergency declarations and curfews in several regions of the country. This affected meetings with Government and Private Sector Officials and the development of field activities in San Martín and Ucayali. Since March 2023, the situation has calmed, but it could escalate again. The Amazonia Connect team closely monitors the situation and its potential implications (e.g., fuel shortages, and safety concerns, among others). Due to this situation, events, field visits and communications require additional sensitivity. As a result, the team will wait until Year 2 to hold the launch event.
- In January 2023, according to the Peruvian legal framework, the new regional and local authorities took office for a four-year period. EII has already met with the new governors of Ucayali and San Martín and started the coordination required to implement the program.
- While Amazonia Connect initially aimed to work with ofi on coffee supply chains in Peru, ofi, unfortunately, had to withdraw their commitment due to unforeseen capacity constraints. Volcafe replaced ofi as a private sector partner for Amazonia Connect. The Year 1 Work Plan and due diligence report reflect this change. This resulted in a delay in the baseline process and implementation of LCA activities in San Martín to allow for the development of the agreement with Volcafe, which was eventually signed in February 2023.
- Due to cyclone Yaku, intense rains, floods, and overflowing rivers have impacted the San Martín and Ucayali regions of Peru, making it unsafe for the Solidaridad team to carry out fieldwork. This is the first time in 40 years that this type of weather event has occurred. The emergency affected program

implementation, making traveling inside each region and attending meetings difficult due to damage to infrastructure.

- Moreover, the El Niño phenomenon is causing precipitation changes and higher than average temperatures throughout the Peruvian Amazon, which could impact next year's supply chain, quality and productivity of coffee and of oil palm crops. In this context, the Amazonia Connect project is essential for supporting producers in developing resilience to climate change.

Such change in context contributed to the delay in implementation of some activities, where teams experienced more challenges to reach the field, companies were also more preoccupied with supply chain issues (e.g. during the protests), and new regional governments meant more time needed to align with their processes, build capacities of new Governors and their teams, and timelines. The consortium team in Peru has come up with strategies, further described in the following Chapter, to overcome these delays and ensure Program implementation remains on track.

4. Activity implementation, progress and results¹¹

This chapter presents the highlights and progress towards results from October 01, 2022 to March 31, 2023. It includes a summary of completed and ongoing interventions and an update on the tasks and their progress.

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

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.

So far, 110 field staff, technicians and lead producers (approximately 20% women) have been trained on LCA, enabling scaling and dissemination across the three countries. This enabled and supported the training of 605 producers (approximately 25% women).¹² The teams have also focused on awareness raising and outreach with farmers on Amazonia Connect, LCA and the Program's support and have been conducting the baseline assessment (with the full baseline report to be completed in August 2023). Teams are closely collaborating with Nestle and Nespresso (Colombia) as well as Volcafe and Alicorp (Peru) to create a work plan to outline needed support for the implementation of LCA and DFP sourcing guidelines.

Regarding jurisdictional interventions to increase the adoption/integration of LCA in LED-strategies, the consortium, through EII's activities within DO 1, the team made progress in engaging with regional governments in Colombia (Caquetá and Meta) and Peru (San Martín and Ucayali). As the jurisdictional approaches are at different stages of development, the team is focusing on different interventions to promote the scaling of LCA and DFP, ranging from stakeholder mapping to LED-R strategy development and implementation.

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

Brazil

Advances: LCA implementation in Brazil has progressed according to schedule. Solidaridad's team conducted outreach with targeted families and onboarded new families by signing the terms of adhesion with them. The team completed their baseline assessment on time (where the results will be documented within the Baseline Report to be completed in June 2023 - see Chapter 6.1).

Beneficiary families are now implementing LCA practices with ongoing trainings to support them. So far, the team trained 163 persons (26 women) on LCA practices including but not limited to rotational grazing. The team also completed a mapping exercise for future beneficiaries for Year 2, identifying potential beneficiaries totaling a target group of 700 families. Ongoing engagement and outreach will keep them informed about the Program and LCA. This is a very important step to build confidence with the farmers, and the team will continue to engage with them and move forward with planning and preparations for Year 2.

Delays, required adjustments and/or challenges: Year 1 targets for the land area covered by LCA listed in the Work Plan's outputs/outcomes column have only focused on the inclusion of rotational grazing, instead of LCA practices as a whole. This was intentionally set up this way as rotational grazing practices are comparatively

¹¹ Note: As the baseline assessment is still ongoing, the majority of the progress indicators cannot yet be reported on and remain to be confirmed (see Annex 8.3 for the performance indicator tracking table).

¹² Sex-disaggregated targets for trainers and participants were merged for palm in Peru, and were not available for farmers who have been indirectly trained. Thus % women trained are estimates that used the aggregated average when sex-disaggregated numbers were unavailable. See the Training Plan in Annex 8.5 for more information.

easy to implement and monitor during year 1, while the team could develop systems to scale training on a menu of LCA options (i.e., including but not limited to rotational grazing) and build up the system to implement and monitor them from Year 2 onwards. Amazonia Connect reduced the number of rotational grazing projects it supported from 51 to 36 due to the rising costs of materials for installing the systems. Additionally, the Program's target area for rotational grazing systems in Year 1 was reduced from 253 ha to 180 ha. This reduction in area only affects the Year 1 outcome for Activity, and will not affect the overall program target for the area under LCA. Trainings implemented during Year 1 on LCA practices, including but not limited to rotational grazing, will facilitate effective and efficient scaling in Year 2.

Major upcoming activities during the next reporting period:

- Train field staff on [Inclusive Technical Assistance](#) in August, strongly focusing on gender equality and social inclusion.
- Continue to implement trainings for farmers on LCA.
- Conduct the launch event for Amazonia Connect in Brazil in November (specific date tbc).
- Prepare for Year 2 by onboarding farmers, signing the terms of adherence, collecting necessary information, and preparing LCA interventions for livestock intensification.

Colombia

Advances: During the first few months of Program implementation, the team primarily focused on supporting the Program baseline. They completed data collection for coffee and livestock, covering 111 coffee producers and 114 dairy producers. The team is currently analyzing the data and plans to present it in the baseline report, which will be completed in August 2023. The team introduced the Program and built trust with producers by conducting workshops in intervention areas. In coffee intervention areas, they conducted five workshops in four municipalities of Caquetá: Belén de los Andaquíes, San José del Fragua, Florencia, and Montañita. A total of 98 persons (35 women) participated in the workshops. In dairy intervention areas, they conducted 29 workshops in 11 municipalities of Caquetá with a total of 175 participants (36 women). Solidaridad is establishing a Low Carbon Livestock School as an educational platform to help farmers learn innovative livestock practices, which will improve productivity, profitability, and overall livelihood while reducing GHG emissions. Solidaridad is currently developing a training platform to host all the courses, with custom-tailored materials being created to meet the specific needs of producers. Implementation of these courses is set to begin during the next reporting period.

Delays, required adjustments and/or challenges: The team encountered delays ranging from extreme weather, establishing partnerships and signing agreements/ memorandums of understanding (MoUs), and troubleshooting with the CFT API, among others (see Chapter 3). Activities CO .1.1.1 "Assessment of 900 coffee producers and 450 livestock producers in Caquetá", CO 1.1.2 "Development and initiation of 1,000 improvement plans", and CO 1.1.3 "Support, training and capacity building of 50 field technicians and 1,000 producers" are delayed.

Based on the Solidaridad team's ongoing analysis, they determined that the baseline data collected is highly relevant and comprehensive. To optimize Program resources, while ensuring that the collected samples were representative, the team decided to forego conducting additional assessments in favor of tailored improvement plans; to be developed stemming from the identified needs of sampled producers. This approach is more effective and efficient and avoids needing time adjustments.

Major upcoming activities during the next reporting period:

Coffee:

- Consolidate the baseline data from CFT, and finalize the gender and youth inclusivity study.
- Further enhance the capacity of the field promoter team to provide technical assistance and support, focusing on gender and inclusivity.

- Use insights from the inclusivity study to develop and implement outreach strategies to engage women and youth in the region.
- Provide support for implementing improvement plans to facilitate the adoption of LCA practices.

Livestock (dairy):

- Initiate the implementation of the Low Carbon Livestock School with the producers, and develop at least three courses customized to meet their needs. The team aims to provide access, to at least two of these courses, to 114 producers (approximately 25 women).
- Introduce digital mobile classrooms with livestock program technicians to facilitate communication and training dissemination to the producers.
- Utilize gamification techniques based on analyzing motivations and insight from previous team experiences to encourage participation in the Low Carbon Livestock School.
- Provide support for implementing improvement plans to facilitate the adoption of LCA practices.

Peru

Advances: The baseline process is ongoing in Peru for both coffee and palm oil supply chains, with data collection planned for April and May 2023.

For coffee, the first half of Year 1 primarily focused on building the relationship with Volcafe and onboarding them to Amazonia Connect. The team signed a cooperation agreement with Volcafe in February 2023, and since then, the team has moved forward with the baseline process and identifying potential beneficiary farmers. There have been several meetings and discussions between Solidaridad and Volcafe’s technical team to agree on the LCA models and plan future joint actions to implement in the framework of Amazonia Connect. The Solidaridad team in Peru is developing communications materials on LCA for upcoming trainings on coffee to ensure the team is well prepared to efficiently launch the trainings in the second half of the year.

For palm oil, the Solidaridad team has been closely working with Alicorp to raise awareness about the Program, introduce the consortium partners (see also DO 2), collect data, and initiate the baseline data collection. The team has also been closely collaborating with RSPO to ensure alignment with criteria from the standard for small independent producers and RSPO’s GHG calculator. These criteria from RSPO have been integrated into Solidaridad’s baseline questionnaire and the measurement of palm oil indicators within Amazonia Connect. The work with smallholder oil palm producers under Amazonia Connect is the largest deployment of the RSPO calculation tool for smallholders so far in RSPO’s history. The team implemented trainings on LCA practices for sustainable palm oil. However, there have been some delays in establishing demonstration farms and providing field booklets. So far, training was provided directly to 30 technicians and 229 smallholders (in total 73 women) and provided indirectly to 208 smallholders through a train-the-trainers approach.

Solidaridad contracted Earthworm Foundation (EWF) to lead the development of the High Conservation Value (HCV) and High Carbon Stock (HCS) assessment. The socio-economic assessment draft should be ready by the end of April as the first deliverable of the scoping phase.

It came to the attention of the Solidaridad team that some oil palm producers, part of the planned Amazonia Connect beneficiary organizations, namely the Central Committee of Palm Growers (COCEPU) and Shambillo Palm Growers Association (ASPASH), were planning to expand their cultivation area. Through geospatial analysis made by Solidaridad, it was possible to identify a potential deforestation risk related to palm crop expansion. Solidaridad immediately took action by:

- Sending this information to Alicorp, who had the power to ask the organizations for their expansion plans, which should consider HCV-HCS areas and ensure any expansion is deforestation-free.
- Contacting Solidaridad North America and USAID teams to share their findings in a palm oil-focused meeting and deciding that the palm oil baseline should also be used to confirm which organizations will be the project’s allies, requiring them to have an appropriate expansion plan that is deforestation-free and based on HCV-HCS studies.

- Considering screening INDOLMASA as an additional beneficiary for inclusion within Amazonia Connect. In 2022, this was the best-performing extracting company in Alicorp's Sustainable Palm program, located in the same intervention area as COCEPU.
- Signing letters of commitment with the three potential partners to be part of the baseline, affirming their commitment to deforestation-free production.

In the end, Solidaridad's efforts resulted in additional screening to ensure adequate safeguards are in place. The results of this screening will affect the decision on the associations and mills the Program works with. This work is ongoing, and the results of the screening are expected before the end of Year 1.

Delays, required adjustments and/or challenges: As described in Chapter 3, many of the activities planned in the first half of the year in Peru are delayed due to the political unrest and extreme weather. In addition, the withdrawal of ofi due to their capacity constraints pushed back many of the coffee activities, as the team needed additional time to onboard Volcafe and jointly develop the cooperation agreement. For palm oil-related activities, the team identified the need for additional screening of potential beneficiaries to ensure robust environmental and social management due to the identification of a potential deforestation risk. This has been a necessary step, although it resulted in a delay in some of the implementation of activities.¹³

These delays have, unfortunately, affected other activities and pathways that depend on the baseline process (e.g., polygons for palm producers required in Pathway 2.3). Several activities in both coffee and palm oil are delayed. These activities might require additional time in Year 2 for their completion (see progress tracker in Annex 8.1 for detailed information at the Activity level).

Major upcoming activities during the next reporting period:

Coffee:

- Coordinate with Volcafe Peru to agree on the LCA/DFP models to be implemented.
- Initiate the process of technology transfer of the LCA/DFP coffee model to Volcafe Peru.
- Install demonstration farms in the farms of 25 coffee lead producers.

Palm Oil:

- Organize follow-up call with Solidaridad North America and USAID on the results of the palm oil baseline study and the identification of beneficiaries (reflecting on the risk assessment findings)
- Establish oil palm demonstration farms with screened beneficiary partners (after the baseline).
- Organize field visit for USAID staff to oil palm sites in Ucayali in August 2023.
- Completion of the socio-economic study of the Aguaytia palm region as part of the HCV-HCS study conducted by the EWF in the framework of the Program.
- Start the gender and social inclusion assessment, which will also include the analysis of the participation of the young people of the palm-growing families in the family business.

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

Colombia

¹³ PE 1.1.2 "Provide field booklets to 90 lead producers", PE 1.1.3 "Implementation and maintenance of LCA/ DFP demonstration farms", PE 1.1.4 "Commodity-specific gender equality and social inclusion study", PE 1.1.6 "Provide technical support in oil palm traceability to Alicorp, Olamsa and Olpasa", PE 1.1.8 "Baseline assessment for oil palm production" PE 1.1.9 "Selection and training of 25 coffee producer leaders", PE 1.1.10 "Implementation of 25 demonstration farms for coffee producers", PE 1.1.11 "Communications materials developed for training coffee producers", PE 1.1.12 "Use of social media to disseminate LCA coffee practices", PE 1.1.13 "Radio programs for coffee producers to communicate about day to day implementation of LCA", PE 1.1.14 "Visit of producer leaders to coffee farms in San Martín", and PE 1.1.15 "Training project technicians of Volcafe" are delayed.

Advances: For Pathway 1.2, the following advancements have been made for coffee and dairy:

- **Coffee:** The team made significant progress in strengthening their partnership with Nespresso and the National Federation of Coffee Producers (Federación Nacional de Cafeteros), working collaboratively to develop a clear roadmap and cohesive strategy for implementing Program activities. There is a shared commitment to advancing Program and organizational goals while ensuring that the needs and priorities of the producers remain at the forefront of the work. The team identified four producer associations that could join Amazonia Connect as partners. The team is currently exploring potential partnerships to reach additional beneficiaries.
- **Livestock (dairy):** A cooperation agreement was signed with Nestlé within the framework of the Program to provide support to dairy producers through the Low Carbon Livestock School, the provision of rural extension, the establishment of financial mechanisms which are innovative and inclusive, and the promotion of social inclusion of rural women and youth. The team is carrying out a study to understand farmers' main motivations, barriers and challenges when implementing LCA practices. This study will help to develop clear incentives, inform production guidelines, and provide tailored support to beneficiaries to successfully implement LCA.

In close collaboration with Nestlé, Solidaridad's team developed and supported digitizing assessment forms for LCA (using CFT), regenerative agriculture, and georeferencing livestock farms. These forms enable the team to collect pertinent data for the Program and develop specific and concise improvement plans. Solidaridad's team in Colombia designed these materials to be used through digital tools that enhance the efficiency of data collection in the field.

Delays, required adjustments and/or challenges: Delays with signing the MoU with Nespresso (see Section 3) have affected CO Activity 1.2.1 "Formulation and/or implementation of LCA and DFP sourcing guidelines by Nespresso (coffee)," where the estimated completion date is now December 2023.

Major upcoming activities during the next reporting period:

- Sign the MoU with Nespresso to officially establish the partnership and define a clear work plan for collaboration in coffee supply chains within Amazonia Connect.
- Taking into account the results of the baseline characterization and incorporating the insights gained from the motivations study, collaborate with Nestlé to identify potential incentives that can be offered to producers to accelerate improvement of the most critical LCA practices.

Peru

Advances: Most of the advances in Peru are related to the oil palm value chain due to the delays experienced in the coffee value chain due to the withdrawal of ofi, and the time required to develop a cooperation agreement and onboard Volcafe. Solidaridad and Volcafe have signed a cooperation agreement, but as this is a new partnership, time is needed to continue discussions in the framework of Pathway 1.2.

Based on the dynamics and results of Amazonia Connect and the Sustainable Palm Program (Solidaridad activity funded by Alicorp, which is also providing leverage for Amazonia Connect), Alicorp developed a tool called Palm Score to evaluate and monitor its supply chain based on its responsible sourcing policy - No Deforestation, No Peat Exploitation, No Exploitation (NDPE). The tool aims to facilitate a concrete and objective measurement of the advances of mills belonging to their supply chain in the implementation of the main criteria of Alicorp NDPE Policy.

Delays, required adjustments and/or challenges: The delays described in Chapter 3 and under Pathway 1.1 in Chapter 4 also affect the implementation of this Activity PE 1.2.1 "Formulation and/or implementation of CLA and DFP sourcing guidelines by Alicorp." It is nonetheless still considered feasible to achieve the outputs and outcomes described in the Year 1 Work Plan.

Major upcoming activities during the next reporting period:

- Begin technology transfer of the LCA coffee model to Volcafe Peru and continue discussions with Volcafe on sustainable and deforestation-free sourcing.
- Continue to support Alicorp with developing and piloting the PALM SCORE tool to help facilitate responsible and deforestation-free sourcing.
- Provide technical assistance to extractors to develop their NDPE policies and a risk matrix to facilitate the implementation of these policies.

PATHWAY 1.3: JURISDICTIONAL ACTORS INCORPORATE LCA AND DFP MODELS AND PRINCIPLESColombia**Advances:**

The EII team accompanied and advised the Government of Caquetá in the working groups established for the review, adjustment, and monitoring of the LED-R Strategy. A MoU was signed between EII and the Government of Caquetá to concretize their support for the LED-R strategy and its implementation. EII supported the incorporation of measures and indicators for LCA and DFP in the Action Plan of the LED-R. Likewise, EII developed key infographics to accompany the LED-R Strategy, which are disseminated to key actors to raise awareness.

In Meta, the EII team continues to support the mapping of actors and creating spaces for dialogue to develop the LED-R strategy. The team has been carrying out meetings with the BioCarbon Fund's Orinoquía Sustainable Integrated Landscape Program (OSILP), coordinated by the Ministry of Agriculture, to identify potential synergies and join efforts to support the jurisdictional government as they work towards developing a LED-R strategy and stakeholder dialogue. So far, the team held four virtual meetings with the BioCarbon Fund Program to coordinate actions in Meta, and they expect further meetings to build on synergies and facilitate alignment between the two programs.

Delays, required adjustments and/or challenges: Activity CO 1.3.2 "Initiate a multi-stakeholder dialogue process to develop a LED-R strategy in Meta" is delayed due to needed collaboration with the BioCarbon Fund project, which is being conducted in parallel with Amazonia Connect. It became apparent that the BioCarbon Fund Program in Orinoquia has many synergies (e.g., related to stakeholder dialogues and engagement, mapping and monitoring of landscapes, and promotion of activities that reduce deforestation and promote low-emission agriculture, among others) and will provide key inputs that can feed into the LED-R development process in Meta and monitoring tools developed under Development Objective 2 in Amazonia Connect. However, this requires more coordination and time between the two programs. There have also been some additional delays as the government is transitioning to a new administration. The outputs from Activity CO1.3.2 should be completed by September 2023 and are not expected to adversely impact any other activity as they run in parallel and continuously inform each other.

Major upcoming activities during the next reporting period:

- Approach the government of Meta to define a pathway and work plan for developing the LED-R strategy.
- Define the multi-stakeholder space with the government to advance the development of a LED-R and Platform in Meta.
- Continue to review and evaluate the policies and programs in Meta to inform the LED-R process.
- Continue to participate in meetings, and to accompany and advise the climate change subnode in Caquetá.
- Raise awareness, provide feedback, and support the validation of the proposed Caquetá territorial performance monitoring system and the department's LED-R Strategy.

- Outline improvements planned for the jurisdictional platform *Caquetá Sustentable*.¹⁴

Peru

Advances: During this semi-annual reporting period, the Program team identified the main agricultural technical committees to work with on the LCA approach and implementation of the LED-R Strategies of San Martín and Ucayali. In the San Martín Region, the team completed an analysis of public-private spaces for the main production chains and three potential technical roundtables were identified (regional cocoa technical roundtable, regional coffee technical roundtable, and regional oil palm technical roundtable). A similar analysis was conducted in the Ucayali Region, and two technical roundtables were prioritized (regional oil palm technical roundtable and regional livestock technical roundtable). Additionally, at the request of the partner Regional Governments, technical assistance was provided to other regional coordination spaces, such as the platform for implementing the regional development agency in San Martín and the working group to promote the regional conservation system in Ucayali. In addition to the analyses above, the Program team helped convene the roundtable sessions, prepared technical material on the LED-R strategies for its members, provided technical assistance to promote a low-carbon agriculture model, and developed surveys to track work plans of the Ucayali oil palm technical roundtable.

Delays, required adjustments and/or challenges: Due to social unrest (Ucayali), heavy rains and change of regional political authorities (Ucayali and San Martín), as well as technical counterparts of the Program (San Martín), most technical roundtable meetings have been rescheduled in 2023, affecting the timing of Amazonia Connect activities.¹⁵ Progress has been slower than anticipated in this first half of the year, but the team expects things to pick up by June 2023 and meetings will resume as scheduled. With this, the team is confident that the set outcomes will be achieved by the end of Year 1.

Regarding modifications to the Work Plan, the suggestion is to include the regional technical commissions, the main governance spaces of the regional LED-R strategies, as a space subject to the technical assistance considered in this activity.

Major upcoming activities during the next reporting period:

- Attend key regional meetings, including:
 - Ucayali regional technical roundtable on palm oil in Ucayali (June 2023). First session in 2023 of the Ucayali regional technical commission for LED-R (July 2023).
 - San Martín regional coffee technical roundtable (July 2023).
 - San Martín regional cocoa technical roundtable meeting (June 2023).
 - First and second sessions in 2023 of the regional technical commission for LED-R of San Martín (May and August 2023).
 - San Martín regional technical roundtable on palm oil (August 2023).

EII's participation helps promote LCA within regional technical roundtables, and aids in the development of work plans to implement the regional LED-R strategy at local levels.

¹⁴ Planned improvements to the Caquetá Sustentable platform being discussed include: Strengthening monitoring systems to track the progress of the transition to low-emission development, strengthening learning, communication and advocacy processes, generating reports for different development scenarios (business as usual vs. LED-R implementation), and improving the capacities of key actors to better engage with the platform and facilitate implementation of the LED-R. These improvements are being discussed with key jurisdictional actors, to ensure the improvements are co-identified in a participatory manner to meet the needs of the diverse actors engaged in the platform and LED-R strategy design and implementation.

¹⁵ PE 1.3.2 "Identify and create strong linkages between project objectives, interventions, milestones and outcomes of LED-R strategies", and PE 1.3.3 "Support local governments to adapt LED-R strategies in their jurisdictions" are delayed.

4.2. 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 pushing 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 Zero Deforestation Agreements.

In Brazil, the consortium is improving the Visipec tool, integrating updated cattle transit records and rural environmental registry data, and identifying biodiversity datasets for incorporation into the tool. In Colombia, the team generated an inventory of available data related to biodiversity and deforestation, and mapped supply chain infrastructure for cattle (beef and dairy supply chains). The consortium plans to continue integrating biodiversity data into Visipec's monitoring and risk assessments and to develop synthesized biodiversity metrics appropriate for property and company level analyses, which will help inform companies sourcing decisions. NWF's sub-awardee Ecosocial produced various advances in the VISIPRAST tool development and functionality, including a dynamic map and a transaction module for producers and companies to register their sales and purchases. In Peru, the consortium is identifying the main actors in the palm oil supply chain in the Ucayali region and conducting individual interviews or surveys with Alicorp and selected mills to understand their needs and identify the data required for monitoring and traceability. .

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

Brazil

Advances: UW and NWF continue to strengthen Visipec by integrating updated GTA and rural environmental registry (CAR) data into the tool. UW started identifying relevant biodiversity datasets that will be incorporated into Visipec and showing companies areas of biological importance in their supply shed. Also, NWF is developing a dashboard where users can track, analyze and visually display their data.

UW and NWF met with MPF on March 28 to discuss how Visipec's methodology can support the monitoring of indirect suppliers in the Amazon compared to other available tools. MPF representatives were impressed with the work and findings and are interested in revising the current Pará State government's monitoring tool, Selo Verde, using the latest results to consider GTA limitations as a database to monitor the cattle supply chain. This is an exceptional opportunity to apply the NWF and UW's expertise in the cattle supply chain in Brazil and Visipec development experience to influence public policies.

Delays, required adjustments and/or challenges: All deliverables are on track. NWF plans to obtain feedback from partner meatpackers on the biodiversity data integrated into the tool to make adequate changes for next year if needed and maintain an open dialogue to ensure that Visipec generates actionable information that helps companies reduce deforestation in their supply chain.

Major upcoming activities during the next reporting period:

- Integrate biodiversity data and other updated datasets into the tool
- Develop a dashboard prototype for Visipec.
- Obtain feedback from companies on the dashboard and biodiversity data.
- Continue to update Visipec.

Colombia

Advances: UW, in partnership with NWF and Ecosocial, is generating an inventory of available data for Colombia related to biodiversity, suitable habitat for species, deforestation, carbon and supply chain infrastructure. UW, Ecosocial, and NWF identified and updated the most relevant datasets, and mapped the beef and dairy supply chain infrastructure. Ecosocial, UW, and NWF are carefully evaluating which data are most relevant for the functionality of the Visiprast tool and what processing might be needed.

Ecosocial has produced various advances in the VISIPRAST tool development and functionality, including:

- Generated a dynamic map where companies can locate and access monitoring information about their producers at different scales.
- Finalizing the automation of geospatial land cover and vegetation indices analysis using Earth Engine.
- Started building a transaction module where dairy and beef producers and companies can register their sales and purchases. This module is the first pillar to help companies and producers with traceability.

To gain a deeper understanding of the data available and methodologies, the team met with representatives from official agencies, including the Colombian Institute of Hydrology, Meteorology and Environmental Studies (IDEAM), regional research institutions (e.g., Instituto Sinchi), and international platforms (e.g., Global Forest Watch).

Delays, required adjustments and/or challenges: The primary barrier, which was anticipated prior to starting the Program, has been obtaining data. Although some datasets relevant to Amazonia Connect's goals are public, they are not readily available, and the team needs to find the right contacts to make data requests. Also, some official platforms that are supposed to have the required publicly-available data need to be more operative. However, thanks to USAID's support, UW and NWF have established a communication channel with IDEAM to obtain the most recent annual forest and deforestation data.

Major upcoming activities during the next reporting period:

- Finalize the functionality of the interactive map in Visiprast (NWF and Ecosocial).
- Continue to request relevant data from IDEAM that supports the development of monitoring and analysis of land cover (NWF, Ecosocial, and UW).
- Continue to automate assessment of deforestation and analysis of land cover change based on vegetation indices (NWF and Ecosocial).
- Develop initial synthesized biodiversity metrics at a scale and resolution appropriate for property and company level analyses, and relevant for company decision-making. UW, NWF, and Ecosocial are integrating biodiversity data into Visiprast's monitoring and risk assessments and into the reports that Visiprast produces for its users (UW).

Peru

Advances: NWF and UW are compiling an inventory of datasets in Peru and identifying the official or academic institutions that manage this data. On February 23rd, NWF, in collaboration with the other consortium partners, held a virtual meeting with local agencies and data-holding institutions to present Visiprast and discuss its adaptation to the context of palm oil in Ucayali. 56 people (20 women) from the public and private sectors attended.

Delays, required adjustments and/or challenges: Data acquisition is the main challenge the team has faced in Peru under this pathway. Similar to the situation in Colombia, official data is often either not publicly available or not up to date. With the support of Solidaridad and EII, NWF aims to build and strengthen relationships with data-holder agencies in the coming months to obtain key data for the palm oil supply chain.

Major upcoming activities during the next reporting period:

- Solidaridad, NWF, Ecosocial, and UW will hold a webinar on April 4th with the public and private sector in the Ucayali region to identify the main actors relevant to the Program and understand the regulatory framework regarding traceability in the area.
- Ecosocial, NWF, and UW will conduct individual interviews or surveys with Alicorp and the selected mills to understand their needs, what systems, if any, they are currently using for monitoring and traceability, and to identify the data that will be required from them.

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

Brazil

Advances: UW and NWF continue to collaborate on ongoing updates and improvements to the Visipec tool, including in response to feedback from companies.

NWF continues to progress the established working relationships and provide guidance on deforestation free sourcing to Frigol and Masterboi. In addition, NWF is assisting them on the following way:

- NWF is supporting Frigol on a project to help their direct suppliers access payments for environmental services, specifically carbon credits. This initiative aims to engage with even more direct suppliers so that they are committed to meeting the new market demands, including no deforestation and sharing information regarding their suppliers. As there are no clear rules in Brazil nor internationally accepted methodology, Frigol is considering this approach. NWF supports Frigol and showcases its successes as evidence that other options are available.
- In partnership with a retailer, NWF is working with Masterboi to improve its monitoring system and meet new market demands on socio-environmental criteria, including DFP. The goal is to use Visipec to identify non-compliant direct suppliers and support them in the regularization process to ensure market access, specifically through their partner retailer. This partnership recognizes the work put in by both ranchers and meatpackers.

On November 30th, 2022, NWF organized an online workshop for meatpackers and other stakeholders showcasing the technical support they offer partners, including analysis using Visipec for procurement decisions. Frigol and Masterboi representatives attended, with Masterboi giving a testimonial of their partnership with NWF.

In December 2022, NWF began the pilot phase of its project with Masterboi visiting some of their direct suppliers in São Geraldo do Araguaia, Pará State. 11 suppliers and 20 farm properties participate in this pilot. NWF used its expertise in conducting engagement processes to reach out to indirect suppliers facing analysis issues using Visipec and the Brazilian Indirect Suppliers' Working Group (GTFI) - Boas Práticas. The producers welcomed the analysis results, even the non-compliant ones, and NWF suggested that these producers contact indirect suppliers offering help from the meatpacker for assistance in regularization. With this first phase concluded, NWF and Masterboi are planning to expand their engagement to more producers.

On March 23rd, NWF and Masterboi organized an in-person workshop for cattle producers in São Geraldo do Araguaia, Pará. This second workshop aimed to engage new producers and expand the project for regularization of the cattle supply chain. During the workshop, NWF presented: i) the upcoming market requirements for the cattle production chain; ii) an updated scenario with data about non-compliance due to issues on indirect supplies using Visipec and GTFI - Boas Práticas. The event focused on learning, discussions, and testimonials geared towards Masterboi's essential and regional sector leader direct suppliers, and 32 ranchers attended the event.

Additionally, NWF is discussing a partnership with Mafrinorte to improve their decision-making process. This includes reviewing their procurement policy, improving direct supplier monitoring, and the eventual monitoring of indirect suppliers. Currently, NWF is in the process of signing an MoU with Mafrinorte.

Delays, required adjustments and/or challenges: None.

Major upcoming activities during the next reporting period:

- Finalize MoU with Mafrinorte.
- Review the approach with Frigol and adjust it as necessary.
- Continue to engage with partners and potential meatpackers.
- Continue to make updates to Visiprast to support companies.

Colombia

Advances: UW geolocated supply chain infrastructure and companies for the beef and dairy sector, and integrating this data with GIS data and other spatial data on forests, deforestation, protected areas, and basic biodiversity data to produce a series of company-level supply shed maps; NWF and Ecosocial are integrating this into Visiprast. In addition, UW, NWF and Ecosocial created a stakeholder map of relevant actors, with the support of EII, including companies in the beef and dairy sector, slaughterhouses, retailers, cattle associations, and producers. Together with UW and NWF, Ecosocial generated a set of criteria to identify which mapped actors can be more relevant and predisposed to partner within the framework of Amazonia Connect.

Ecosocial attended several events to engage with companies, foster interest in monitoring and traceability systems, and promote the tool Visiprast. Some of those events were the Sustainable Livestock Forum in Meta and an event on February 3 under the BioCarbon Fund's OSILP to develop public-private partnerships in the cattle supply chains in chain Meta and Cundinamarca.

In addition, the team conducted one-on-one meetings, in person and online, with companies and associations to explain the value proposition for monitoring and traceability, including Alkosto, Lacteos Camoti, Gormalac, Quesos Caquetá, Fenix del Ariari, Sosty, Agrosolidaria Florencia, and Orinoco Green Beef. As a result of this outreach, NWF and Ecosocial are in the process of developing and signing a Collaboration agreement with two companies to test Visiprast:

- Alkosto, a retail company that works directly with four cattle (beef) producers in Meta and 20 at the national level.
- Takami, a restaurant chain based in Bogotá that works directly with beef producers in Meta and is interested in piloting VISIPRAST. They also source dairy from Caquetá.

In addition, the team is in conversations with Sosty for beef and Alqueria and La Catira in the dairy sector to potentially develop collaboration agreements.

Delays, required adjustments and/or challenges: Most companies approached about piloting the tool Visiprast have raised concerns about their and their producers' data privacy. These data protection concerns have slowed down the negotiation of collaboration agreements and, as a result, the companies' implementation of the Visiprast tool. Ecosocial met with their legal assessor, and plans to put together an informative one-pager about how the data will be used in Visiprast and who could access it.

Major upcoming activities during the next reporting period:

- Continue actively seeking opportunities to engage with companies and beef and dairy associations.
- Hold a meeting on April 20th with i) La Maporita S.A., a dairy company that signed the dairy ZDA, and ii) Asoganado de Colombia S.A. to present the Visiprast tool and encourage piloting.

Peru

Advances: UW is working with Solidaridad in Peru to obtain data to generate a land cover baseline for use in the assessment of deforestation risks around mills that supply Alicorp. UW, NWF, Ecosocial, and Solidaridad met with four of Alicorp's Sustainability department staff on November 18, 2022, to present the Visiprast tool and understand their needs, challenges and expectations regarding monitoring and traceability.

Delays, required adjustments and/or challenges: Due to the political situation in Peru, the process to obtain the polygons for some of the palm plantations in the Alicorp supply chain has been slightly delayed. The polygon data is needed to select the mills that will participate in the Year 1 pilot of Visiprast; therefore, the team has not yet started talking individually with mills. Thus, Activity PE2.2.2 is delayed, although the team still aims to achieve this activity's outcome by the end of Year 1.

Major upcoming activities during the next reporting period:

- Host a webinar on April 4, 2023 with the public and private sector in the Ucayali region to identify the main actors relevant to the Program and understand the regulatory framework regarding traceability in the area.
- Conduct individual interviews or surveys with Alicorp and the selected mills to understand their needs, what systems, if any, they are currently using for monitoring and traceability, and to identify the data that will be required from them.
- Assess deforestation and deforestation risks within Alicorp's supply shed using data compiled under Pathway 2.1.

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: The NWF and UW teams are in the process of integrating the Brazilian Ministry of Environment's priority areas for biodiversity and forest cover into Visiprec, which will allow companies to better see their impact and/or potential for impact on these indicators for the first time. The team is evaluating how to summarize this information for companies to best understand their impact or potential impact, given that there are no policies that specify thresholds, as there are in the case of deforestation.

NWF participated in the December GTFI webinar to promote Visiprec and discuss with its members and guests the new social and environmental rules and how to implement them. The meeting focused on supporting members in understanding the strengthened regulations while promoting GTFI as the most important forum to discuss the matter in Brazil.

Finally, during the 27th Conference of the Parties of the UNFCCC (COP 27) in November 2022, NWF promoted GTFI as the most relevant forum to discuss the indirect suppliers' issue in the Amazon in one-on-one meetings and attended large meetings promoted by partners and other stakeholders.

Delays, required adjustments and/or challenges: None.

Major upcoming activities during the next reporting period:

- Release a new version of Visiprec with MMA priority areas for biodiversity included in the tool.
- The first in-person GTFI meeting since 2019 will be held on April 4, 2023. NWF will present the GTFI to meatpackers and explain the advantages of participating in the group.

Colombia

Advances: Ecosocial, in collaboration with EII, UW and NWF, mapped and identified potential collaborators and initiatives at the local, regional and national level to support scaling of traceability and monitoring. This

included outreach and engagement with the BioCarbon Fund OSILP, Global Forest Watch, IDEAM, the regional node for climate change in Orinoquía, Envol-vert, and CIAT among others.

In addition to the synergies identified with the BioCarbon Fund OSILP under Pathway 1.3, Ecosocial, NWF, and UW identified several synergies with Pathway 2.3, including efforts for mapping land cover change. Meetings were held between EII, Ecosocial, NWF, and UW to articulate how to promote Visiprast within the jurisdictional approach, especially within jurisdictional digital platforms.

Regarding the Colombian ZDAs, Ecosocial continues to lead the Monitoring and Information (M&I) Group for beef and dairy. NWF and Ecosocial assisted in organizing an in-person workshop to provide signatory companies with concrete steps to carry out the self-analysis and the Monitoring, Reporting and Verification protocol. During the workshop held in Bogota on December 6, 2022, Ecosocial presented the tool Visiprast as a solution for companies to understand their socio-environmental risks and provided insight on the required self-analysis companies have to conduct. Of the 17 companies (beef and dairy) conducting the self-analysis, 24% have completed the process, 47% are in the midst of carrying out the self-analysis, and 29% have not yet started.

Delays, required adjustments and/or challenges: None.

Major upcoming activities during the next reporting period:

- Schedule a meeting with Amazonia Sostenible para la Paz, which has mapped relevant organizations in Caquetá, such as dairy producer associations.
- Meet with The Nature Conservancy Colombia regarding their role in Amazonia Mia, and their upcoming leadership of the beef ZDA's technical secretariat to find synergies, potential for sharing cattle supply chain data, overlaps in monitoring and traceability needs and demo the Visiprast tool.
- Meet with Instituto Humboldt on April 17, 2023, to present the Program and discuss collaboration regarding biodiversity data.
- Meet with Expertise France on April 27, 2023, to introduce the Program, find synergies and discuss how Visiprast can support companies in the Zero Deforestation Agreements for beef and dairy - Expertis France is providing technical advice and support for the implementation of Colombian ZDAs.
- Continue conversations with the BioCarbon OSILP to find synergies and avoid duplicating efforts in Meta.
- Continue to lead the M&I Group for the ZDA, beef and dairy.
- Evaluation of synergies regarding analyses and data sharing of on-farm forest, carbon, and biodiversity with Amazonia Mia and Lacteos Caqueta.
- Assess utility of data from various SERVIR projects, including Global Carbon Monitoring Pilot (S-CAP), for use in the monitoring and traceability tool .
- Continue to conduct outreach with other relevant initiatives and institutions to scale the traceability and monitoring tool, including collaborating with other USAID activities such as Business Case, among others. USAID partner working groups will be established, including in areas related to sustainable agriculture and landscape planning, to facilitate coordination and build on synergies including on monitoring and traceability. Initial meetings for the working groups are expected throughout June to August 2023.

Peru

Advances: In collaboration with Geobosques, Solidaridad piloted an on-farm monitoring methodology to monitor primary and secondary forests on coffee farms using Sentinel-2 satellite images. The methodology developed in partnership with Solidaridad is complementary. It provides more detailed information than currently available in Geobosques, although the team recommends to use the methodology in combination with Geobosque's existing resources and datasets. Together with Geobosques, the team validated the methodology and drafted a report.

Delays, required adjustments and/or challenges: Neither Activity PE 2.3.1 “Validate the on-farm deforestation monitoring methodology piloted by Solidaridad with Geobosques” nor PE 2.3.2 “Propose on-farm deforestation monitoring methodology for coffee to Volcafe” included dates in the Year 1 Work Plan. The dates for 2.3.1 have been clarified, and the activity is on time and scheduled to be completed by September 2023. Solidaridad proposes to cancel Activity 2.3.2 during year 1, to instead focus their efforts on building the relationship with Volcafe and implementing the LCA models and adjusting for the delays experienced under DO1. The team intends to pick this activity up again in Year 2, although discussions with Volcafe will begin in Year 1 to ensure an efficient and effective design and implementation in Year 2.

Major upcoming activities during the next reporting period:

- Participate in an event to launch the on-farm deforestation monitoring methodology report, in coordination with Solidaridad, the Coalition for Sustainable Production (CSP), and the Tropical Forest Alliance (TFA).¹⁶
- Conduct marking and branding check of the final report in May 2023.

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

[Research shows](#) that farms that incorporate low-carbon agriculture 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 low-carbon agriculture practices and can spur further encroachment on sensitive areas. DO3 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.

In Brazil, the EII team assessed the most suitable options for valuing jurisdictional REDD+ projects in Mato Grosso. The government of Mato Grosso decided to sell forest carbon credits under the Architecture for REDD+ Transactions “The REDD+ Environmental Excellence Standard” (ART/TREES) standard based on EII’s findings. NWF continues to engage with financial institutions and investor groups, including HSBC, CERES, Santander, Bradesco, Itau, and the Brazilian Federation of Banks (FEBRABAN), among others. They have discussed the team’s work in supporting meatpackers to monitor their supply chain, as well as key opportunities and barriers to achieving this, and how financial institutions can influence and accelerate the availability of financial products offered to ranchers for the adoption of LCA.

In Colombia, EII and Solidaridad established a working group where both teams will work on identifying suitable incentives and financing mechanisms to facilitate the transition to LCA production systems. In Peru, the EII team is collaborating with regional governments to design public investment programs and improve the call for competitive funds to promote LCA. Technical assistance is also being provided to local governments to implement and monitor LED-R strategies. Solidaridad, in Peru, is facilitating the piloting of [ACORN](#) with 300 coffee producers in San Martín, to help farmers access carbon markets and receive compensation for providing a vital ecosystem service.

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

Brazil

¹⁶ These will not be covered by Amazonia Connect, but the work presented at the event will be the findings from the Geobosques pilot supported by Amazonia Connect.

Advances: With Brazil's elections held in October of 2022 and the flurry of activities surrounding the United Nations Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP) 27 and the Convention for Biological Diversity's COP15 in late 2022, engagement of the new Brazilian government leaders in the Amazonia Connect Program began in earnest in late January 2023. Meetings attended by EII with the Mato Grosso government (Governor Mauro Mendes, Secretary of Environment Mauren Lazzaretti) and new national leaders, including Minister Fávoro (Agriculture), Minister and Vice President Alckmin (Industry), Jorge Viana (Apex, Export), and Minister Marina Silvia's team (Environment), legislators (Senator Tereza Cristina, Dep. Fed. Arnaldo Jardim) revealed a very high level of interest in attracting investments from the voluntary carbon market, in establishing a robust national policy framework for emissions trading, and in developing a line of low-carbon commodities.

The EII Brazil team assessed the options for valuing J-REDD+ projects and supporting carbon-neutral commodities in Mato Grosso. The ART/TREES standard was identified as the most suitable option as it would deliver a similar volume of credits to Mato Grosso's jurisdictional REDD+ program as Verra/ Jurisdictional Nested REDD+, but is more operational and less risky. A draft report summarizing the findings has been developed (it is still undergoing internal editing), and meetings were held with the Mato Grosso Government to inform them of their findings. The EII team's dialogues with the Mato Grosso government and analyses of pros and cons of different standards culminated in the state's decision to take the necessary steps to sell forest carbon credits from the state's jurisdictional REDD+ program under the ART/TREES standard.

Mato Grosso made the decision to establish a new public-private entity to transact the carbon credits, and EII's Brazil team is providing technical support through the Program as they take this institutional step.

Delays, required adjustments and/or challenges: Activities in Mato Grosso have experienced delays.¹⁷ The Director of the Produce, Conserve, Include (PCI) Institute resigned in December 2022, and a new director has not yet been hired, delaying work on a new version of pcimonitor.org for tracking progress toward PCI targets and in preparing Instituto PCI to serve as the financial management agent of the Mato Grosso's J-REDD+ revenues. Delays are also attributed to the transition to a new administration in Brazil. EII proposes to cancel Activity 3.1.4 "Creating an ex-ante fund to finance J-REDD+ program development" as the Government of Mato Grosso no longer sees the need for this fund.

During the implementation of Activity BR 3.1.7 "Convening and technical support to design and implement a state-wide system of payments to farmers", it was discovered that there is a need to build capacities on carbon markets and forest carbon incentive options as a first step for developing farm-level forest carbon incentives. Thus, EII is working on developing an educational program as this is seen as a critical initial step and success factor to facilitate the successful implementation of forest conservation and restoration initiatives and LCA.

Major upcoming activities during the next reporting period:

- Provide technical support for the creation of a new public-private entity in Mato Grosso to transact carbon credits: EII is currently contracting a legal team to establish this as it is needed to establish Mato Grosso's J-REDD+ program.
- Follow key advances in J-REDD+ and provide the regional Government with technical assistance:
 - Signing of Emissions Reduction Purchase Agreement (ERPA) contract with major buyer; EII is in dialogue with several potential buyers and anticipates that Mato Grosso and a buyer will sign an ERPA contract within the year.
 - Presenting benefit sharing agreement to State REDD+ Council for their evaluation.
 - Conducting consultations with the farm sector as they decide on how they want to receive their share of revenues from the sale of J-REDD+ credits.

Colombia

¹⁷ BR 3.1.1 "Options assessment for valuing carbon emissions (J-REDD projects)", BR 3.1.2 "Adapting an existing public-private entity to transact J-REDD credits", and BR 3.1.3 "Support to reconvene state REDD council to negotiate benefit sharing agreement" are delayed.

Advances: Activities during this reporting period have focused on mapping existing projects and financial mechanisms and gaining a better understanding of producers' investment needs. To facilitate effective collaboration and mobilization of funds for LCA and DFP, EII and Solidaridad have established a working group to coordinate the work under 3.1 and 3.2.

EII Colombia initiated a review of tax statutes in 13 municipalities to better understand the government's scope of exemptions and modular investments for scaling of LCA and DFP. This will help in identifying suitable incentives. The EII and Solidaridad working group continues to discuss lessons learned from other financial mechanisms that include the provision of rural extension services to give additional insight into suitable incentives and financing mechanisms.

Solidaridad's team in Colombia began identifying investment needs required for coffee and dairy producers to switch from conventional agriculture to LCA systems. The team built a preliminary business case with five different forest tree species to estimate income and expenses for coffee producers. The team also identified the main investments made by Nestlé-supplying Caquetá dairy producers that developed silvopastoral livestock production processes, where information was obtained from the producers who are pioneers in this topic.

Solidaridad in Colombia also conducted a preliminary analysis of existing green credit lines. The team notes the relevance of strengthening the financial and business knowledge of the producers before pursuing green credit expansion or scalability, ensuring their capacities are built on the proper use of financial resources.

Delays, required adjustments and/or challenges: Due to the change in national government and macroeconomic conditions, there has been a delay in releasing the new credit offer for this year. The team expects the new offer during the second quarter of 2023. Due to the current uncertainty about the supply of credits and the complexity of the model, the team would like to cancel Activities CO 3.1.4 "Tailor and replicate blended finance mechanisms to de-risk investments" and 3.1.6 "Credit scoring integrated with Extension Solution" in Year 1, and instead shift their implementation to Year 2 (with activities extending into 2024).

Major upcoming activities during the next reporting period:

- Define methodological route with Solidaridad for joint tasks.
- Identify financial needs and lessons learned based on the Inter-American Development Bank's (IDB) experience, and support the design of the Livestock Investment Plan.
- Support capacity building for rural extension service delivery.
- Conduct a comprehensive study to determine the production costs of coffee under agroforestry systems and the impact of incentives related to LCA.
- Enhance and improve the business case for the production of coffee under agroforestry systems with information gathered from the aforementioned studies, as well as with data on new forest tree species.
- Conduct a study of Colombia's financial and operational feasibility of silvopastoral systems.
- Develop a business case¹⁸ for low-carbon livestock in Caquetá.
- Initiate capacity building of producers on financial and business knowledge. Once this step is completed, the team will estimate their investment needs and calculate their credit score. From there, the team will filter those eligible for credit and refer them to financial institutions.
- Participate in a workshop to exchange approaches related to green finance and sustainable investments with the USAID Programs: Equitable Finance, Business Case, Empropaz, Jóvenes

¹⁸ To develop a 'business case' consists of identifying the changes observed in the income and expenses of producers who implement milk production processes under silvopastoral or regenerative livestock models. The goals are to identify which of the components of income and expenses are affected, to what magnitude they are affected and what variations are observed in cash flow. This analysis serves as a basis for i) knowing the financial behavior of producers, ii) understanding better the differences and added value in comparison to traditional production models and iii) what credit conditions they must receive in order to be willing and able to take on credits (and pay them back).

resilientes, Amazonia Mia y Destino Naturaleza, Agricultura Sostenible, Nuestra Tierra Prospera. Additional coordination meetings are scheduled in the coming months.

- Meet with representatives from Business Case, Sustainable Agriculture and Finance for Equality to define a joint agenda with Finagro on credit lines for LCA.

Peru

Advances: Pathway 3.1 is on track in Peru, where the EII and Solidaridad teams in Peru have made progress toward the Year 1 outputs and outcomes.

Related to the consortium's work with the Coalition for Sustainable Production (CSP), EII Peru attended two regional meetings with the private sector in 2022. These meetings focused on identifying priority activities to promote low-emission rural development in each region and exploring the possibility of forming regional CSP chapters. These meetings were attended by more than sixty businesses and generated interest in forming a regional chapter of the Coalition in Ucayali.

To support the development of financial incentives to promote and scale LCA in the target jurisdictions, EII Peru worked with the regional governments to design public investment programs and improve the call for competitive funds to promote LCA. These incentives are expected to be implemented during 2023 and public financing of over USD\$ 10 million is expected to be secured. The EII team also collaborated in the design of a public investment project idea to promote deforestation-free production. This project was designed for the Amazon Regional Commonwealth (San Martín and Ucayali are members) and is registered in the public investment project bank. It is important to note that these activities have been carried out in collaboration with the UK PACT project, with funds from this project as matching funds, and implemented by EII Peru between February 2022 and March 2023.

With respect to technical assistance provided to local governments to produce LED-R strategies, at least three meetings were held with the municipalities of Coronel Portillo, Padre Abad and Neshuya, through which a schedule of follow-up technical meetings was agreed upon to present the LED-R strategies and identify potential partners to help with their implementation at the local level. In the case of San Martín, the approach with the municipalities will be carried out jointly with the Regional Government. To this end, a schedule of meetings with municipalities was approved to present the strategy and incorporate this policy into local public management instruments (institutional strategic plans and operational plans).

With regards to coffee-specific activities (PE 3.1.4-5), Volcafe is being onboarded to the Program. Solidaridad initiated discussions with Volcafe to see how they could implement ACORN on a trial basis. Simultaneously, Solidaridad is developing scaling up plans for ACORN in Peru, in close collaboration with Rabobank. To date, the team has identified 300 potential new coffee producers from Volcafe's supply shed have to join ACORN, and related engagement and outreach are ongoing.

The process of determining the system of payments to ACORN coffee beneficiaries in the field has been informed through interviews with beneficiaries, research on the available and most accessible means of payments by communities, and a consultancy to determine the necessary process to ensure that the payment of carbon credits does not generate additional tax costs for producers. The result of this process so far is the design of a payment implementation plan; however, the consultancy is still ongoing. Related to farmer payments, Solidaridad is also in touch with Agente Cash, a fintech company that facilitates payment transactions in the rural context of Peru. Since they are starting operations in San Martín, Solidaridad is exploring if this is also a viable option to facilitate payments in the future.

Delays, required adjustments and/or challenges: Delays including political unrest, extreme weather and government turnover (see Chapter 3 and Pathway 1.1) have affected the scheduling of meetings with municipalities to discuss potential financial and funding mechanisms to promote and scale investments in LCA. The team expects to overcome these delays in the second half of Year 1. The team proposes to broaden the scope of Activity PE 3.1.3 and not limit it only to Amazon Regional Development Funds (FONDESAM), given that during the first half of Year 1, there has been little political will to move forward with its rapid implementation.

Thus, the team suggests the expansion of this activity to consider other public investment incentive mechanisms such as programs/projects and competitive funds. This will make it possible to mobilize more resources quickly to promote and scale LCA.

Major upcoming activities during the next reporting period:

- Attend key meetings including:
 - Two workshops with local governments, led by the San Martín Regional Government, to identify opportunities to implement the Regional Rural Development Strategy and incorporate it into local public management instruments (June 2023).
 - Two technical workshops on low-emission public investment in San Martín (July 2023).
 - Meetings to socialize the LED-R strategy with local governments in Ucayali (May - June 2023).
 - CSP workshop with the private sector (August 2023).
- Initiate the implementation of ACORN with Volcafe Peru's program partners on a trial basis.
- Promote ACORN in the San Martín region with coffee producer organizations or companies.
- Receive the final report of the payment process consultancy and adjust the payment plan for farmers participating in ACORN, as necessary according to the consultancy findings.

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

Brazil

Advances: NWF continues to engage with financial institutions and investor groups to inform them about the deforestation risks and the benefits of investing in monitored supply chains.

NWF and UW contributed to a webinar organized by HSBC global investors on November 3rd titled: "*HSBC ESG Series #2: Webinar with Brazil deforestation solution innovators*". To prepare for the webinar, the NWF team had several calls with the HSBC team to explain NWF's work in Brazil supporting meatpackers in monitoring their supply chain, what are the key barriers and opportunities to achieve this, and how financial institutions can influence and accelerate the availability of financial products offered to ranchers for the adoption of Low Carbon Agriculture and Deforestation-free Production. NWF also highlighted the importance of traceability, GTFI, and Visipec in these conversations.

In addition, NWF has held a series of meetings with the Santander, Bradesco, and Itau teams in Brazil to explain the importance of traceability systems, monitoring of indirect suppliers, and the Visipec tool. On February 15th, NWF had a call with the Food and Forest team at CERES to provide the team's feedback on a Meatpacker Campaign they are planning to launch and find synergies with the work the team does.

On March 21st, NWF had a call with FEBRABAN to discuss further the challenges and opportunities for indirect suppliers' monitoring and how financial institutions are key actors in investment in assets under the monitoring of deforestation and biodiversity risks.

Delays, required adjustments and/or challenges: NWF expected to count the HSBC webinar towards one of the two webinars under the outcomes for activity BR 3.2.1. However, this wasn't possible due to misunderstandings in the communication process for an event of this kind. Since this is the first year of Amazonia Connect, the team is learning and becoming familiar with the communications process and its guidelines. As an alternative, NWF plans to schedule two webinars in the summer.

Major upcoming activities during the next reporting period:

- Organize and conduct two webinars for financial institutions in June 2023, one with Brazilian banks and another with international institutions, including the Emerging Markets Investor Alliance, to further discuss the team's work and present the most recent data and findings.

Colombia

Advances: Under pathway 3.2, the Solidaridad team began identifying the current offer of financial products in first and second-tier financial institutions. The team held meetings with the three main first-tier banks (Banco Agrario, Bancolombia, and Davivienda) that offer financial products for low-carbon agroforestry production. They all stated that they are in the design and formulation phase of the Analysis System for Environmental and Social Risks (Environmental and Social Risk Management System - SARAS) and have not yet developed the respective monitoring model.

Delays, required adjustments and/or challenges: The Government of Colombia proposes to reform state financial entities (including Banco Agrario, Findeter, and Finagro, among others), which has generated uncertainty in the sector. Most of the financing in the agricultural sector in the country comes from public financial institutions. Thus, these proposed reforms have led to delays in the generation of new offers. Hence, the team considers it pertinent to develop this activity during the second half of 2023 to achieve the objective of rolling out the monitoring model in 2024.

Major upcoming activities during the next reporting period:

- Solidaridad and EII to approach entities such as Asobancaria and the Financial Superintendence of Colombia (Superintendencia Financiera) to produce possible monitoring models that include environmental risk analysis as a granting requirement for financial entities.

Peru

Advances: The Solidaridad team, with support from EII, developed a monitoring protocol for implementing the LED-R strategy in Ucayali and San Martín. This protocol, already tested with the Regional Government of San Martín, will monitor the impact of the implementation of the strategy (e.g., reduction of deforestation, increase in productivity of agricultural value chains), the progress of programmed activities, and governance conditions and associated risks.

Regarding blended finance financial incentives, the EII Peru team, in collaboration with another EII-implemented UK PACT project, completed an analysis of the regional public investment portfolio of San Martín and Ucayali.

Delays, required adjustments and/or challenges: The consortium team proposes to cancel the NWF-led Activity 3.2.4 “Engage with international investors in the oil palm sector about opportunities for investing in Peruvian LCA/DFP supply chain actors” for Year 1 due to the delays experienced in the baseline process in Peru and the need for additional screening of palm oil beneficiaries (see Chapter 3 and Pathway 1.1 under Chapter 4). The team recommends focusing on data collection, building the relationship with Alicorp, and strengthening the tool in Year 1, shifting engagement with international investors and investor groups to another year.

Major upcoming activities during the next reporting period:

- Present the monitoring protocol and agreement on dashboard structure with the Regional Government of San Martín and the Regional Government of Ucayali (two workshops to be held in June and July 2023).
- Attend technical meeting and define methodology for monitoring DFP (meeting in August 2023).
- Present progress on regional investment portfolio for LCA in Ucayali and San Martín (two workshops in August 2023).

4.4. 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 gain information by/from 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.

In Brazil, the UW team conducted research on cattle supply chains, including supplier fidelity, and the implications for improved traceability in cattle supply chains. They also worked with NWF to develop a plan for presenting data about biodiversity in supply chains in an actionable way for companies. In Colombia, UW mapped beef and dairy supply chain infrastructure nationally and estimated supply sheds using area-based methods and animal transactions. They also created a series of initial maps showing the overlap between these supply sheds with forests, deforestation and high biodiversity areas. In Peru, UW evaluated the extent of palm plantations in Alicorp's supply shed relative to property sizes and land use history, and is evaluating the best options for initial biodiversity metrics.

EII is in the initial stages of their research to identify synergies between farm, jurisdictional and supply chain approaches to scale deforestation-free production and biodiversity production. The team has initiated discussions with the jurisdictions covered by Amazonia Connect. The aim is to complete an outline for their research work plan by the end of Year 1. This research is largely dependent on the work conducted in other DOs and pathways, and builds on the entire consortium’s work. The upcoming Pause and Reflect Session in June 2023 will serve as an important opportunity for the consortium to reflect on lessons learned so far, synergies, and implications for the learning questions and applied research in the context of Amazonia Connect.

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.

Brazil

Advances: In October 2022, UW published their paper “[Protected areas still used to produce Brazil’s cattle](#)” in the scientific journal *Conservation Letters*, which received press coverage [in Brazil](#) and [the United States](#). UW has participated in numerous meetings with policymakers, civil society organizations, and private sector actors to share results from their work researching and documenting the structure and characteristics of cattle supply chains, such as supplier fidelity and the central role of certain suppliers in the supply chain, as well as the implications of this for improved traceability in cattle supply chains. These findings have become increasingly important as interest in expanding traceability in Brazil’s cattle sector has grown due to pressure from international markets, expected regulations in consumer countries, investors, and the expansion of the cattle TACs in the Amazon. Finally, UW and NWF have also been working closely to develop a plan for presenting data about biodiversity in supply chains in an actionable way for companies.

Delays, required adjustments and/or challenges: None.

Major upcoming activities during the next reporting period:

- Full integration of MMA high biodiversity areas into research database.
- Finish and submit supplier fidelity paper and another paper on supply chain structure and impacts on governance.
- Conduct analysis of high volume suppliers in Pará.

Colombia

Advances: UW mapped beef and dairy supply chain infrastructure nationally and estimated supply sheds using area-based methods and animal transactions. They also created a series of initial maps showing the overlap between these supply sheds with forests, deforestation, and high biodiversity areas. These maps have potential for company outreach under Pathway 2.2.

The UW team is constructing a spatial database, PostGRES, to link more than a million cattle transactions for over 10 million animals to understand supply chain dynamics, easily connect to environmental datasets, and facilitate geospatial analyses.

UW has collaborated with Colombian ornithologist Natalia Ocampo Peñuela to refine global habitat datasets for forest-dependent bird species in Colombia, incorporating expert data, elevation ranges, and land cover data. These efforts have led to the development of a conservation responsibility metric for individual companies, infrastructure types and sectors based on the portion of a species' habitat within their supply shed. This metric has been tested on all 1,000 of Colombia's bird species, including threatened, endemic, and range-restricted ones.

UW drafted a scientific article evaluating how different properties and supply chains impact forests, deforestation, and biodiversity. UW is preparing these findings for publication and presented these initial results at the 2023 conference of the American Association of Geography in March.

Delays, required adjustments and/or challenges: None.

Major upcoming activities during the next reporting period:

- Finish integrating biodiversity data and building research database for spatial analyses
- Continue exploring synthetic indicators for biodiversity and apply methods tested with avian suitable ranges to other genera.
- Finish paper and submit to academic journal (likely Global Environmental Change)
- Analyze high conservation value properties and supply chains and develop a policy brief.

Peru

Advances: UW was able to access property boundary data for Ucayali, covering most of the palm area (~35,000ha) in the districts within the Amazonia Connect Program region, with the help of Solidaridad's team in Peru. The team is beginning to evaluate the extents of palm plantations in Alicorp's supply shed relative to property sizes and the land use history on these parcels and evaluate the best options for initial biodiversity metrics. UW has also acquired some regional zoning data and had discussions with different government actors to better understand the regional government's agricultural development plans and restrictions.

Delays, required adjustments and/or challenges: The overall work in Peru is delayed for the reasons mentioned in Chapter 3 and the other pathways described above. Nonetheless, the baseline is progressing, and in-person meetings in Peru in late May and June 2023 will help advance this activity.

Major upcoming activities during the next reporting period:

- Complete land use history analysis for palm areas and palm polygons in Pucallpa.
- Develop initial biodiversity metric approach for palm oil in Peru.
- Create research database for property-level spatial analyses in Peru.

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

Advances: The team has initiated discussions with the jurisdictions covered by Amazonia Connect.I (as outlined under Pathways 1.3 and under DO 3). Regarding the activities in Peru, the team held initial discussions on the LED-R strategy monitoring plan for the Program's jurisdictions.

Regional research identifying the synergies between farm, supply chain, and jurisdictional approaches to scale LCA, DFP and biodiversity conservation has been largely dependent on the work conducted in other pathways to raise awareness on Amazonia Connect and the consortium’s work, build relationships with key partners and gather information. More targeted work on the regional research work plan will ramp up in the second half of Year 1.

Delays, required adjustments and/or challenges: Progress has been slow, which is anticipated since most of the activities developed under this component have been programmed internally for the second half of Year 1. All activities have experienced delays due to the turnover of key government staff engaged in LED-R strategy development and implementation. The team proposes extending REG 4.1.1 “Report describing the main opportunities for harmonizing jurisdictional and supply chain strategies in each target region” by three months until December 2023 (within Year 2). The rest of the activities are still feasible as planned.

Major upcoming activities during the next reporting period:¹⁹

Peru

- Document and analyze Program processes and activities, and report results on productivity, profitability, producer access to financing, changes in jurisdictional budget allocations to implement LED-R strategies, and forest conservation.
- August 2023, report describing key opportunities for aligning jurisdictional and supply chain strategies in each target region.
- August 2023, design adaptive management plans for each target jurisdiction to implement harmonized jurisdictional and supply chain strategies in each region.

Brazil

- Learn from farm-sector dialogues discussing how best to use funding from the scaling of J-REDD+ credits to help farmers transition to LCA.

Regional

- Develop a work plan for assessing the main opportunities for harmonizing jurisdictional and supply chain strategies in Amazonia Connect’s Program area.
- Reflect on the Amazonia Connect research questions and preliminary findings (see Chapter 7) and brainstorm with all consortium partners during the Pause and Reflect Session held in June (see Chapter 6.5).

¹⁹ Note: This Work Plan includes only country-specific interventions for Peru under 4.1B. Nonetheless, the consortium has included some information on relevant dialogues in other countries that will inform the regional research.

5. Cross-cutting themes, progress and results

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

5.1. Gender equality and social inclusion²⁰

Field staff in Brazil will receive Inclusive Technical Assistance training with a focus on gender equality and social inclusion. The training will consider recommendations from Solidaridad's GSI assessment for livestock in Brazil. In Peru, the GSI assessment for oil palm is delayed and expected to begin in late May or early June 2023 due to political unrest, extreme weather, and fine-tuning of digital innovations with the RSPO tool. In Colombia, the gender and youth assessment for cattle began in March and is expected to be completed in May 2023, with ten workshops already held (one with technical staff from the agricultural sector, five with producer families, and four with rural youth). The team is also conducting a gender and youth assessment for coffee supply chains in Caquetá, with results expected before the end of Year 1. The team's assessments will inform the ongoing GSI Assessment for Amazonia Connect. They expect to have these completed by the end of Year 1 and provide recommendations for implementation from Year 2 onwards.

Capacity strengthening
As an addendum to the Year 1 Work Plan, a training plan was submitted to USAID and is discussed in Annex 8.5 of this file. So far, the Program provided training on LCA to 110 field staff, technicians and lead farmers (approximately 20% women), along with 605 producers (approximately 25% women).²¹ The focus so far has been conducting the baseline assessment, developing training materials and training field staff who will disseminate information, setting a strong foundation to facilitate scaling as the Program progresses.

In addition to this, the consortium participates in workshops and roundtables to raise awareness of their work and findings, identifying potential partnerships or capacity-strengthening needs. UW presented their findings regarding Brazil's cattle supply chains and their implications for traceability and monitoring to MPF in Pará and Brasilia. This resulted in a request from MPF for UW to lead in developing a standard protocol for monitoring indirect suppliers using the GTA and that they offer guidance to the State Secretary of the Environment (SEMAS) in Pará and the SeloVerde team. NWF, Ecosocial, and UW have partnered with private sector partners (e.g., Alkosto and Takami in Colombia, Masterboi and Frigol in Brazil, and Alicorp in Peru) to build their capacities on tools like Visipec (in Brazil) and Visiprast (in Colombia and Peru). Additionally, Ecosocial leads the M&I group for the beef and dairy sector ZDA. These partnerships and ongoing technical support, outlined under DO 2, are key in supporting deforestation-free sourcing policies and strengthening monitoring.

EII works closely with regional governments and stakeholders engaged in jurisdictional approaches, providing direct technical assistance (e.g., conducting an options assessment for valuing the reduction of forest carbon emissions in J-REDD+ projects in Brazil) and promoting low-carbon rural development through workshops and meetings with key platforms such as CSP and technical commissions.

Awareness raising and capacity strengthening have also been ongoing within the consortium through the following events:

- On January 24, 2022, a 2-hour technical call was held for GIS teams in the Amazonia Connect consortium to facilitate sharing experiences, methodologies, provide feedback and resolve questions.
- UW's computer engineers and remote sensing experts work with Ecosocial's technical team via weekly or biweekly meetings to support their technical skill development for traceability and monitoring tools.

²⁰ Note: This section focuses on GSI-focused activities outlined within the Year 1 Work Plan. Additional information on the development of the GSI-related operational requirements, including the program-level GSI assessment for Amazonia Connect and the Indigenous Peoples Consultation Plan is included in the Chapter on Operations and Management (Chapter 6.4).

²¹ Sex-disaggregated targets for trainers and participants were merged for palm in Peru, and were not available for farmers who have been indirectly trained. Thus % women trained are estimates that used the aggregated average when sex-disaggregated numbers were unavailable. See the Training Plan in Annex 8.5 for more information.

5.2. Communications

With approval of the Communications & Marking and Branding Plan (see Chapter 6.2), and with growing familiarity with approval processes and in navigating the timeline for content production, the team is increasing content generation for Amazonia Connect through social media posts, a [web landing page for Amazonia Connect](#), and training materials.

The Amazonia Connect Communications team, with the consortium partners, are developing an introductory film with chapters for each country. The film is set to be completed by early June 2023. The team plans to generate more content, including interviews, testimonials, explainer pieces, and promotional materials as work advances in the field.

As baselines are established and work advances in the field, the consortium team plans to generate more content, including interviews, testimonials, explainer pieces, and promotional materials.

Brazil:

- UW and consortium partners promoted release of ([example LinkedIn post](#)).
- UW held an internal webinar to educate USAID and consortium partners on the structure of the cattle supply chains and why it matters for policy implementation (deliverable BR 4.1.3).
- Brazil included Amazonia Connect in its end-of-year recap on social media ([example LinkedIn post from Solidaridad as shared by NWF](#)).
- Meetings were held with USAID and private sector partners to determine the best path forward for branding and marking issues

Colombia:

- Developed and published a social post introducing the baseline process in Caquetá ([example LinkedIn Post](#)).
- Collaborated on treatment and script development for the Colombia portion of the Amazonia Connect film. Solidaridad joined filmmakers on a trip in Colombia to gather footage and interviews with coffee and dairy farmers in Caquetá to be used in the film.
- Developed and implemented plans for the launch event (April 19) in Florencia, Caquetá, including programming, materials, and logistics.

Peru:

- Created training materials to educate on carbon credits and low-carbon agriculture ([PDF](#)).

5.3. Collaboration

Brazil

- Meetings were held with the USAID Brazil mission to present LCA and jurisdictional work (September 15, 2022), as well as Visipec and UW's planned research in Brazil through Amazonia Connect (October 17, 2022), and a technical session with new findings from NWF and UW on traceability to enable the monitoring of deforestation risks in the cattle sector in Brazil (March 23, 2023).
- There are ongoing meetings with NWF, UW, and EcoSocial to support relationship strengthening with meatpackers (e.g., Masterboi, Frigol, and Mercúrio) in Brazil.
- Solidaridad in Brazil has three new projects starting with affinities to Amazonia Connect:
 - Digital tools partnership and development with the International Center for Tropical Agriculture (CIAT) to support farmers' transition to LCA practices.
 - Landscape approach partnership with the Consumer Good Forum (CGF), Proforest and Imaflora to develop a landscape project in Novo Repartimento municipality in Pará to promote sustainable beef production.

- Blended finance partnership with Tabôa, Arapyau, and Gaia Group to promote access to credit from the Brazilian Development Bank (BNDES) for small-scale cattle ranchers to boost the adoption of sustainable livestock practices.

Colombia

- In the first week of October, the team held a meeting in Florencia, Caquetá, as an internal kickoff of the Amazonia Connect Program. All consortium partners and local allies, including Nestlé and local government representatives, participated in developing a common understanding of objectives, ways of working, and work plan for the first year.
- Solidaridad in Colombia raised awareness on Amazonia Connect in local communities with support from producer associations. In coffee, the Program was socialized in four coffee-producing municipalities, one of which had already been working with USAID on other projects.
- EcoSocial, NWF, and UW have held meetings with the Colombian IDEAM to introduce them to Amazonia Connect and to resolve questions about spatial data availability and their deforestation methodology, and overall data sharing.
- UW held two meetings with Envol-vert and the CIAT Colombia to present Visipecc and how UW has used available official data to create a traceability tool in Brazil. CIAT and Envol-vert hope to use these lessons learned to inform and shape the newly introduced bill to create mechanisms to track cattle (mentioned in Chapter 3), so Colombia can have robust and effective traceability mechanisms in the future.
- NWF and Ecosocial held various meetings with private sector partners to raise awareness and support uptake of Visiprast across beef supply chains in Meta and Caquetá. This includes meetings with: Alkosto, Lacteos Camoti, Gormalac, Quesos Caquetá, Fenix del Ariari, Sosty, Agrosolidaria Florencia, Orinoco Green Beef, Takami, Alqueria, and La Catira.
- Ecosocial is a member of the Colombia National Roundtable for Sustainable Beef. It supported communications efforts for their International Symposium and Innovation tour, focusing on the link between carbon sequestration, biodiversity and sustainable livestock.
- Meetings have been held with other regional initiatives, such as the BioCarbon Fund's [Sustainable Integrated Landscape Program in Orinoquia](#) and the United Nations Development Program's [Amazonia Sostenible para la Paz](#). With the BioCarbon Fund, several calls have been organized with EII, NWF, and UW to build on synergies, share knowledge (e.g., how to monitor land cover change, how to use regional datasets), and facilitate alignment with Amazonia Connect and the LED-R process in Meta.
- EII provided ongoing technical assistance and continues to support the Environmental and Agriculture Secretariat of Caquetá in meetings of the Climate Change Subnode related to the LED-R.
- Solidaridad worked closely, via working sessions, with Nespresso and commercial managers from the the National Federation of Coffee Producers to create a cohesive joint work plan.
- In January, Solidaridad developed a workshop to strengthen livestock technical teams' capacities, including Nestlé team technicians, Servisostegan (a partner that provides technical assistance to Nestlé's producers), and Solidaridad, focusing on low-carbon livestock practices, regenerative agriculture and their carbon footprint. In total 18 persons were trained (2 women).
- Solidaridad and Nestlé's Shared Value department had a meeting to discuss their ongoing work with young people. This led to establishing small-scale community tree nurseries with youth participation.
- Direct collaboration between Solidaridad, Nestlé, and EII to define the financing needs of dairy producers in their transition from conventional production to low carbon, as well as in identifying the main risk factors to consider for the success of a financial support process for producers.
- An online coordination meeting was held on January 26, 2023, for three USAID partners active in Caquetá: Amazonia Connect, Business Case, and Amazonia Alive. A follow-up meeting with technical officers from Amazonia Connect and Business Case technical officers will be organized in April or May

to discuss the two programs further, build on synergies, and ensure alignment of their activities in Caquetá.

Peru

- A field visit was organized by Solidaridad for Rabobank and USAID to visit coffee farms and show the LCA models under agroforestry systems. This visit also included additional information on the ACORN platform and the collaboration between Rabobank and Solidaridad, which will be further strengthened through Amazonia Connect.
- EII met with the new San Martín and Ucayali governors to learn about Amazonia Connect and discuss deforestation-free commodity production and LED-R. EII continues collaborating with regional governments to strengthen LED-R strategy development and implementation.
- At the suggestion of Volcafe, a meeting was held with the Tropical Agricultural Research and Higher Education Center (CATIE) to present Solidaridad's model of agroforestry systems in coffee in Peru. CATIE was impressed by the model, and discussions are ongoing to identify potential collaborations with CATIE on coffee agroforestry and LCA.
- The Ministry of Agriculture and Alicorp held meetings to introduce Amazonia Connect and the Visiprast tool.
- A key strategy in the framework of the Program for palm in Peru is to coordinate the sectoral activities in Ucayali with the Palm Regional Roundtable, composed of public and private institutions in the region. The activities related to technical aspects, such as Visiprast, ABC agriculture, and Gender assessment, will be disseminated and validated in the framework of this platform.
- In the same way, the Coalition has a small committee called Palm Leading Group (*Grupo Impulsor de Palma*, in Spanish) led by Solidaridad, Proforest, EWF, EII, and TFA to promote the sustainable policy development for palm at public and private level. RSPO has also shown interest in participating in the Palm Leading Group. In the meantime, this group is coordinating to develop a capacity-building program to optimize the impact and resources for Palm stakeholders in the Ucayali region.

6. Management and operations

This chapter presents the highlights, measurable results, and progress towards results during the period from October 2022 to March 2023 related to activity management and operation tasks as planned in the Work Plan. The following Table summarizes the progress so far and anticipated progress by the end of Year 1.

Table 1. Summary of management and operation tasks

TASKS	PROGRESS FROM OCT 2022 TO MAR 2023	ANTICIPATED PROGRESS FOR THE NEXT 6 MONTHS
Year 1 Work Plan	Year 1 Work Plan approved on October 29, 2023.	Continued implementation of Year 1 Work Plan.
MEL Plan	MEL Plan approved on November 18, 2023. Baseline process is ongoing. Indicator tracking ongoing (See Chapter 8.3).	Continued implementation of MEL Plan, and updating of indicators. Baseline report to be finalized and targets will be updated.
Communications and Branding & Marking Plan	Communications and Branding & Marking Plan approved on March 17, 2023.	Internal learning sessions on approved Communications and Branding & Marking Plan continued implementation of plan.
Environmental Mitigation and Management Plan	Addressing final USAID comments and re-formatting document to fit the latest USAID template.	EMMP to be approved on April 17, 2023. Continued implementation of EMMP. Environmental Mitigation and Management Report (EMMR) to be submitted Sept. 1, 2023.
Gender and Social Inclusion (GSI) Plan	Gender studies focused on gender equality within oil palm (Peru) and cattle (Colombia) value chains have been initiated. Supporting assessments to inform the GSI plan have been initiated on indigenous peoples and social inclusion.	Gender assessments for oil palm (Peru) and cattle (Colombia) to be completed by the end of Year 1. Amazonia Connect Program-level GSI assessment to be completed by the end of Year 1.
Indigenous Peoples Consultation Plan	Stakeholder mapping, led by EII, is ongoing in Meta. Indigenous Peoples background assessment initiated (linked with GSI Plan). Drafted a table of IP organizations involved in jurisdictional processes.	Indigenous Peoples Consultation Plan to be drafted by the end of Year 1 and included in the work plan. It will be revisited annually in the work plan.
Pause and Reflect Session (PRS)	Initiated discussions with USAID and MI2 to hire facilitators and begin to plan the PRS. Set a tentative date and location for the PRS (week of June 5, 2023 in Peru).	In-depth planning and preparations for the session. Implementation and documentation of PRS in June 2023.

6.1. Monitoring, evaluation and learning

Progress this reporting period: The MEL plan for the Program was approved in November 2022. The team made significant efforts to align the Program's objectives with USAID indicators, and a process of sharing the Theory of Change (ToC) of the Program was conducted with each implementation team. This helped them understand the logic of their work and how it

The MEL Plan was approved in November 2022. Baseline assessments are ongoing, and will be completed by the end of Year 1.

connects with the wider objectives of the consortium. The indicators to be contributed by each team were explained in detail, along with the tools for measurement, methodologies, and calculations, finalized with all teams. Important technical decisions, such as measuring deforestation within the farms, understanding deforestation in a wider context, and carbon calculations, were taken in consultation with all consortium partners, especially their technical teams. Additionally, the team developed guidelines for gathering the minimum required data points for the indicators.

The baseline process began in September 2023 with the Program's MEL team, including the MEL POC and local MEL specialists, agreeing on criteria for conducting a representative sample per country and commodity. This involved establishing the sample size, considering agreed criteria such as the margin of error, confidence level, and potential dropout, and selecting criteria to stratify the sample to represent each group. The contextualization of the indicators and selection of data collection tools followed. In the first component, the teams contextualized the indicators to their realities. For instance, indicators gathered by Solidaridad teams in the field defined the low-carbon practices to be used in each process and how they would be measured. This varied based on each team's track record in low-carbon agriculture. In the second component, the teams defined the tools and content required to collect all necessary data. All teams collaborated with their GIS specialists, field teams, and the UW team to jointly select the best way to collect spatial information for deforestation analysis. The team conducted tests to assess the quality of national records and built a protocol for field teams to choose the optimal way to collect GIS data.

For coffee in Peru and Colombia, the practice adoption analysis included revising the previous progress of practice adoption and its environmental and economic impact. The Solidaridad teams defined the data collection tools after a detailed assessment of needs and available options. In Colombia, the Solidaridad team selected a combination of Excel, Open Data Kit (ODK), and paper as backup due to challenges in connectivity, electricity, and producers' wariness of development projects. UW is analyzing the GIS data. Meanwhile, the Solidaridad team in Peru selected the Extension Solution tool, and built the content considering the questions of practices, the information required by the team, and the requirements of the API connection with CFT. The team experienced delays considering the political situation and the challenges with the partner (see Chapter 3). The data collection process began in March and is scheduled to conclude by early May. An in-house analyst who is aligned with UW will be analyzing the GIS data.

The Solidaridad palm oil team in Peru reviewed the practices tested in previous pilots and discussed them with their partners. Several discussions were held with Alicorp and other partners, setting the groundwork for the fieldwork. The team chose to use Extension Solution for technical assistance and data collection. For carbon, the team selected the RSPO calculator as it is the norm in the sector, and Payment for Environmental Services will be tested using this system. In-house analysis of GIS data will be conducted, with alignment to UW. Data collection is expected to be completed by May.

The team in Brazil had already made significant progress in practice definition and data collection, as this Program is a collaboration to scale an ongoing initiative. They revised the existing data, compared it with the required data for the Program, and formed a task force to complete the missing data points. Additional data collection is completed, and GIS data is being analyzed by their in-house team.

Solidaridad's team in Colombia's livestock conducted initial research to define the practices based on the potential carbon impact from simulations and findings from partners and secondary sources. They then designed the content of the digital tool Extension Solution with its API with CFT and negotiated with the company partner for its piloting in the field. This process took longer than expected²² and delayed the data collection process, which has since been finalized. The GIS data was collected using the protocol from UW due to the size of the properties and is under their analysis.

The MEL POC has been aligning with the digital team on how the data from all countries and partners will be analyzed and visualized.

²² The team ended up using the Extension Solution tool for data collection, and the online version of the CFT for data processing and calculations.

Anticipated progress for the next reporting period: The baseline report and its data analysis and visualization are expected to be completed in August 2023. The targets will be updated based on the data gathered in the baseline. Continued progress will be made in testing and refining (as suitable) the digital tools applied in Amazonia Connect, and the teams will receive initial insights from the data. The PRS is scheduled for June (see Section 6.5 for more detailed information). DQAs are due within 12 months leading up to the reporting on a new indicator, and will be completed before the end of October 2023.

6.2. Communications and Branding & Marking

Progress this reporting period: The [Amazonia Connect Communications and Branding & Marking Plan \(PDF\)](#) was developed in partnership with consortium partners and formally approved by USAID in March 2023. It lays out guidelines and procedures that inform a) the development, structure and flow of communications with external audiences, b) the plan for the communications content that will be developed in line with the Work Plan, and c) the development of training materials.

The Amazonia Connect Communications and Marking & Branding Plan was approved in March 2023. Implementation is underway.

Solidaridad and consortium partners worked closely with USAID to align communications goals, objectives, and expectations to develop a comprehensive strategy aligned with the Amazonia Connect Work Plan.

Notable achievements to date include:

- Developing the Amazonia Connect web page (www.solidaridadnetwork.org/amazonia-connect/) that will serve as the activity landing page for the span of the activity and beyond.
- Developing a 5-minute introductory film and a 5-minute chapter on Program objectives in Colombia.
- Planning and coordination with teams for launch events in Colombia, Brazil and Peru.
- Publishing over 20 social media pieces on LinkedIn, Facebook, Twitter, and Instagram in Spanish, English and Portuguese.
- Designing of two training manuals that were approved from a Branding and Marking perspective.

Anticipated progress for the next reporting period: The team expects the complete introductory video with country-related chapters to be delivered in three languages by mid-June 2023. In addition, the team will continue to develop content in line with the Communications Plan, this includes:

- Developing a series of five long-form explainer pieces on topics, including: Low-carbon Agriculture and Agroforestry, Carbon Credits and Carbon Markets, Traceability and Transparency, Climate Financing for Smallholders, and LED-R and Jurisdictional Approaches. These pieces will educate readers on the key topics addressed in Amazonia Connect and serve as an ongoing resource throughout the activity.
- Conducting the first Amazonia Connect launch event in Colombia (19 April).
- Leading internal presentations of the Plan to all partners to ensure improved understanding and smooth implementation.
- Conducting a learning event for Amazonia Connect in Brazil (week of August 7th, date tbc).
- Ongoing publication of a variety of social media posts highlighting ongoing activities and introducing the project.
- Continuing implementation of activities, as laid out in the Communications & Branding and Marking Plan.

6.3. Environmental mitigation and management

Progress this reporting period: The team worked on developing the Environmental Mitigation and Monitoring Plan, based on USAID’s Initial Environmental Examination. Due to a formatting requirement from USAID, the EMMP shifted from a 32 page document to a 71 page document. The teams find it challenging to digest the amount and repetitiveness of information, albeit relevant to the requirements by USAID for internal purposes, because many of the risks and mitigation measures apply to several different activities..

The Environmental Mitigation and Monitoring Plan will be submitted to USAID on April 17, 2023.

It was discussed with USAID to develop a more streamlined Environmental Mitigation and Monitoring Report (EMMR) to facilitate a more efficient and effective process. The consortium team will propose a draft template in early July 2023.

COVID-19 situation: In May 2023, the head of the [World Health Organization](#) declared an “*end to the public health emergency of international concern*” related to COVID-19. Nonetheless, there is still a risk of new variants emerging that could cause new outbreaks. A best practice health protocol will be developed by the end of year 1 for the teams, and the situation will remain to be monitored.

Anticipated progress for the next reporting period: The first EMMP for Amazonia Connect will be completed by April 17, 2023. Along with planning for Year 2, the EMMP will be revised to determine if there are any needed adjustments or additions. Other notable upcoming activities in the next reporting period include:

- Drafting best practice guidance on COVID-19 prevention to be developed for the teams in May 2023.
- Finalizing the baseline report in August 2023, which is linked with some of the EMMP indicators.
- Conducting the pause and reflect session, which will include space to discuss the key Program assumptions and issues such as leakage (as per the EMMP).
- Drafting a streamlined EMMR template and sharing it with AOR for feedback in late June/early July 2023, and submitting the completed EMMR by Sept 1, 2023. Revising the EMMP based on the Year 2 Work Plan and submitting a revised EMMP by Sep. 1, 2023.

6.4. Gender and social inclusion assessment and the indigenous peoples consultation plan

Progress this reporting period: The consortium plans to complete the gender and social inclusion assessment and the Indigenous Peoples Consultation Plan (IPCP) in the second half of the first year to ensure they are informed by ongoing or soon-to-be initiated processes, namely: the baseline study, the gender and social inclusion assessment, commodity-specific GSI studies, the HCV-HCS screening for oil palm in Peru (which includes a social assessment), and stakeholder mapping within the jurisdictional approach in Meta.

Preliminary assessments to inform the GSI assessment and IPCP have been initiated, including value chain GSI assessments for cattle (Colombia) and oil palm (Peru).

The DCOP and GSI POC at Solidaridad South America have been revising USAID examples of GSI reports and are coordinating the way forward in the coming months. The teams have begun revising key literature and data and are planning internal calls with each partner (tentatively in July) to present preliminary findings and discuss the recommendations. Due to some of the delays outlined in previous Chapters 3 and 4, there may still be some information gaps. Still, the team understands the importance of this information for Year 2 of the Work Plan. Thus, if some studies are not yet ready, the GSI assessment can be continually updated as the information becomes available.

Solidaridad has held preliminary discussions with consortium partners on the plan to develop the GSI assessment and indigenous peoples consultation plan (IPCP). The team would like to highlight that Amazonia Connect predominantly focuses on value chain production areas that do not involve indigenous farmers nor are located in or adjacent to indigenous territories. Therefore, the team expects engagement with indigenous peoples to be predominantly indirect and related to jurisdictional approaches. Calls between Solidaridad and

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EII have been organized to learn more about the engagement of indigenous organizations and representatives through jurisdictional platforms, which will inform the GSI assessment. EII developed a summary [table](#) to include in the GSI assessment or IPCP that highlights the main indigenous organizations in different platforms linked with developing and promoting jurisdictional approaches.

Through the studies mentioned above, the teams are confirming if any direct LCA beneficiaries are indigenous persons and will verify that none of the farms the Program works with are located in indigenous territories and reserves. The team is also screening producers to see if any beneficiaries are located in the buffer zones of protected areas and if any Social Impact Assessments will be required.

Anticipated progress for the next reporting period: The GSI Assessment and the IPCP will both be completed by the end of Year 1 and will provide recommendations to be considered within the Year 2 Work Plan. The team will organize internal meetings with consortium members to provide inputs into the assessment and validate the recommendations.

The team also plans to update USAID on whether or not any Social Impact Assessments will be required in August 2023.

6.5. Pause and reflect session

Progress this reporting period: Planning for Amazonia Connect's first Pause and Reflect Session (PRS) began, with the event planned for June 5-8, 2023 in Lima, Peru. With support from the Program's AOR, the team interviewed two different facilitation teams within USAID and selected a team of two facilitators from MI2. Solidaridad and USAID have engaged with the facilitators and supported them in refining their scope of work. They have begun planning for the PRS session, including developing an interview guide to understand the consortium's achievements so far and help plan for a successful and effective PRS. Solidaridad is clarifying the logistics in Peru (e.g., hotel, venue, materials) and aims to provide an update to the consortium in early May 2023.

Amazonia Connect's first PRS will be held from June 5-8, 2023. MI2 will support with facilitation, and preparations are ongoing.

Anticipated progress for the next reporting period: The team will hold the PRS in June 2023. This event is expected to generate key reflections on lessons learned so far, and will also provide space to support the consortium in coordinating planning for the Year 2 Work Plan.

6.6. Budget expenditures

As of March 31, the Program spent over 27% of the total obligated budget amount of \$5,887,134 which was for the period of March 14 2022 - Dec 2023 (~21 months). This is mainly due to the slow Program start-up and low expenditures seen in the first two quarters of the Program as the subaward agreements were prepared, the Work Plan was approved, and sub-awardees started up activity implementation. In the most recent two quarters (Oct 2022 - March 2023), expenditures totaled approximately 22% of the obligated budgeted, which is in line with expectations for the performance period. Spending should also continue to increase in the upcoming quarters as activities pick up. Communication with all partners indicates that their budget is on track.

There have been no significant cost overruns that would impact the implementation of activities. The consortium partners have made some minor adjustments to address budget variance and changes to cost expectations (e.g. travel and personnel estimates), with Solidaridad's approval, but these have been within allowable budget variance and do not present a risk of overspending in any cost category. There have not been unexpectedly high unit costs under any activities.

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

In accordance with discussions with USAID in March 2023, Solidaridad is currently working on a budget revision to recalculate the indirect costs in line with the accurate basis of Modified Total Direct Costs and exclusion of subaward amounts. This budget modification is in process and will be submitted to USAID for approval by the end of May 2023.

Solidaridad may also seek approval for participant support costs related to events and workshops in accordance with 2 CFR 200, requiring prior approval for this type of cost. These costs have not yet been identified; however, there have been discussions with partners on the need for prior approval. Solidaridad will provide a total estimated budget amount and request approval if costs are identified.

6.8. Confirmation TrainNET 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 from the start of the activity in March 2022 until March 2023. Therefore, the TrainNET system hasn't needed an update.

6.9. Status of audit processes, including for sub-awardees

Solidaridad in North America will be carrying out an US Government Single Audit (i.e., 2 CFR 200 compliant, following guidelines for audit of federal funds) for 2022. The office appointed Baker Tilly North America as the auditor. The finance team initiated the process with the auditing firm and expects to complete the audit by August 2023.

Solidaridad in South America (legally known as Fundación Solidaridad Latino America or FSLA) and EII will not need to carry out an audit for 2022 since their spending of federal funds was below US\$ 750,000. NWF's fiscal year runs from September to August. Their 2022 audit report included Amazonia Connect as part of their federal audit.

UW must comply with the single audit requirement since it is a state university, and the State of Wisconsin report includes it. Their fiscal year runs from July 1 to June 30. Consequently, Amazonia Connect will be included in their audit for the following year.

7. Learning and adaptive management

7.1. Learning questions

Amazonia Connect just passed its first six months of implementation. Much of the first months focused on setting up the activities, conducting the baseline, information-gathering, and building relationships with governments and key stakeholders on the ground. As a result, progress toward answering the learning questions²³ is limited. Below are some preliminary observations and reflections from the Amazonia Connect consortium partners. The team will make additional reflections during the PRS.

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)?

Additionally, building on the work done in the first six months and drawing on the knowledge and experience of the consortium team across Program countries, several key incentives have been identified, including:

- **Coffee:** In the coffee sector in Colombia, useful incentives for producers include: delivery of high-quality coffee seeds, support for producers through training and capacity building in coffee production, and development of training activities that can be replicated by coffee promoters/leaders in their communities. From experience, these incentives are also relevant for coffee production in Peru.
- **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 sector and region to transform towards more sustainable development pathways.
- **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, defined that field audits will be carried out 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 are 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

²³ The learning questions were jointly developed by the consortium team during two virtual workshop sessions with MI2 and USAID in July 2022. After validating the Results Chains for each Objective, the team focused on drafting Learning Questions (LQs) as inputs into the MEL plan. MI2 facilitators structured these sessions to encourage discussion of key assumptions (some of which may be “leaps of faith”) in the Amazonia Connect Theory of Change for each Objective. Participants worked in breakout groups by Objective to unpack these key assumptions and draft LQs to identify the information needed and address the assumptions. The team then returned as a group to prioritize LQs for inclusion in the MEL plan, with the goal of identifying one or two LQs per Objective, using a dot voting exercise. Draft LQs which received the most votes have been included for follow up through the Program.

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?

Much of the work under DO 3 has yet to start; however, below are some initial reflections:

- In dairy supply chains in Colombia, the team preliminarily identified that producers who have invested in these transition processes are those who have received credit (designed with clear incentives) and adequate technical support, while also perceiving economic benefits from the buyer (in this instance, Nestlé). 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.

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

Reflecting on this question, the consortium team increasingly recognizes that their work influences public policy. Evidence-based research products, including those developed by UW, have generated 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 have been very interested in their findings on the structure of cattle supply chains and their implications for traceability and monitoring. The team will discuss the potential to broaden the scope of this learning question to not only focus on companies during the PRS.

7.2. Adaptive management

The team has been applying adaptive management throughout the implementation process. There have been various events outside the consortium team's control, and the teams have had to pivot or adjust their approach. At the same time, it is an exciting time for the team to be working on forest conservation in commodity production landscapes and biodiversity. There are numerous global and national (for implementation countries) policy processes that are advancing, and the team has a direct or indirect role in many of these processes.

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

- The importance of farmer engagement and trust-building with producers has been underscored for the Program's LCA work. Involving women and youth in the process has proven to be successful in gaining insights for effective intervention strategies for LCA; the team will continue with ongoing assessments specific to cattle supply chains in Colombia and upcoming assessments for palm oil supply chains in Peru.

- Collaborative work with private sector partners is resulting in tailored technical assistance that supports the needs of the companies as they work towards deforestation-free production. 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 have also increased interest in traceability and monitoring processes among companies, which is generating increased interest aligned with Amazonia Connect’s activities.
- In general, many key public and private sector stakeholders have been very receptive to the work of Amazonia Connect across all four development objectives (see also Chapter 5.4 on collaboration). The team continues to engage in outreach with diverse stakeholders to identify synergies and opportunities to collaborate and strengthen the reach and impact of Amazonia Connect. This further reflects the importance of Amazonia Connect’s alignment with key regional, national and sub-national strategies and sectoral initiatives (e.g., ZDAs, GTFI).

Going forward, it will be important to continue tracking the change in context as the Program operates in a very dynamic environment. This semi-annual report already outlines adjustments required in the Work Plan that takes into account, among others: i) the need to perform specific activities to gain recognition and build trust with communities; ii) logistics challenges in the regions; iii) the reduced supplier base of Program partners;²⁴ iv) the identification of emerging environmental and social risks and the need to conduct necessary measures to avoid or mitigate any adverse impacts; v) the need to foster regional ownership in jurisdictional processes. Changes in administrations have also led to turnover and changing commitments, which requires the team to adjust their timing and meaningfully engage with new officials or, at times, officials with new or changing mandates. The team continues to track policy and regulatory changes internationally as well as in the direct Program area to assess potential implications on Amazonia Connect and if there is a need for tailored support since many of the commodities and companies supported are engaged in international markets. The consortium and USAID must maintain regular communication to ensure efficient and effective communication of any adjustments, challenges, and opportunities during implementation. This approach is crucial for informed decision-making throughout the process, even as adaptive management continues.

As this is the Program’s first year of implementation, there is also substantial learning in how to work together and what level of coordination is both efficient and effective. The PRS (see Chapter 6.5) will have space to further reflect on the progress so far and required adjustments. This is important to discuss with representatives from each implementing partner and country team to ensure Program management adjustments reflect the full consortium's needs. Some potential adjustments the team is exploring, which will be further discussed at the PRS, are as follows:

- **Quarterly online catch-ups by country** that enable each partner to provide a short update on progress, challenges/ delays and upcoming events. Some country teams already implement this, but it could be relevant to implement this in all countries. The meetings mustn't require substantial preparation from the teams to avoid overburdening them. There is an interest from focal points in USAID missions also to attend these sessions, or set up bi-monthly or quarterly updates to be closer to the implementation and facilitate strengthened collaboration.
- **Internal monthly or bi-monthly newsletter** to better inform the consortium of activities in other countries included in Amazonia Connect or relevant policy updates or changes in context.
- **Scheduling learning and exchange calls** within the consortium to promote exchange, learning, and strengthened collaboration on key topics. The team held a meeting for all GIS teams in January to learn more about each implementing partner’s approach, and it was well received by the participants. Other

²⁴ 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.

events can be considered in the future; however, ensuring they are not too frequent or overburdening the teams will be important.

- **Setting up thematic working/ learning groups** within countries and/or across themes to promote targeted exchange and enhanced cooperation. In Colombia, EII and Solidaridad set up a working group to focus on the finance-related activities in the Program. It would be interesting to explore in the PRS if, e.g., the team has a finance working group across the consortium to meet once or twice a year to discuss mobilizing sustainable finance in the context of Amazonia Connect.

8. Annexes

8.1. Summary status of tasks

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

8.2. Products/ materials produced

The following Table provides an overview of the products and materials produced during the reporting period.

No	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION
1	Amazonia Connect Year 1 Work Plan	Award requirement	October 29, 2022	Yes	Yes	https://pdf.usaid.gov/pdf_docs/02f80674918c48918d47bcca7ffab069.pdf
2	Monitoring, Evaluation and Learning Plan	Award requirement	November 18, 2022	Yes	Yes	https://pdf.usaid.gov/pdf_docs/fe68fe936dfa419fa36c36cbbd38a3f0.pdf
3	Communications, Marking and Branding Plan	Award requirement	March 17, 2023	Yes	Yes	https://pdf.usaid.gov/pdf_docs/35619d15939442bdb9e9f3fcdd2e437b9.pdf
4	Environmental Mitigation and Monitoring Plan	Award requirement	April 17, 2023	Yes	Yes	https://pdf.usaid.gov/pdf_docs/367d3efabe3f4e0198c70914b26fde56.pdf
5	Scientific paper: Protected areas still used to produce Brazil's cattle	Deliverable	October 18, 2022	Yes	Yes	Online at journal website , linked on UW Gibbs lab website as well: Protected areas still used to produce Brazil's cattle; DEC Link: https://pdf.usaid.gov/pdf_docs/425c341d5062454397f481d1274d8afc.pdf

No	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION
6	Press release about Protected areas paper	Deliverable	October 18, 2022	Yes	No	https://nelson.wisc.edu/despite-commitments-brazils-beef-sector-tainted-by-purchases-from-protected-lands-in-amazon-basin/
7	UW Presentation to the American Association of Geographers Annual Meeting on “The Potential of Colombia’s ZDAs to Protect Forests, Paramos and Bird Habitat”	Deliverable	March 20, 2023	Yes	Yes	https://drive.google.com/file/d/13TnqZ3AtaLtNu0HcGbXlLjj9rXmPtgo/view DEC Link: https://pdf.usaid.gov/pdf_docs/2d38f7df7db4769aa2e2ff322837134.pdf
8	Todo Lo Que Debes Saber Sobre Los Bonos de Carbono	Training Materials	January 15, 2023	Yes	Yes	Link DEC Link: https://pdf.usaid.gov/pdf_docs/5a255a888ca84041b3e09636009b139f.pdf
9	Amazonia Connect Web Page	Web Page	March 31, 2023	Yes	N/A	https://www.solidaridadnetwork.org/amazonia-connect/
10	Social Post - ClimateLinks	Social Media	November 9, 2022	Yes	N/A	LinkedIn Post (EN) / LinkedIn Post (ES)
11	Social Post - UW Study Deforestation	Social Media	October 26, 2022	Yes	N/A	LinkedIn Post (EN) / LinkedIn Post (ES)
12	Social Post - Colombia Baseline	Social Media	March 2, 2023	Yes	N/A	LinkedIn (EN) / LinkedIn Post (ES)
13	Social Post - Brazil Year End	Social Media	February 10, 2023	Yes	N/A	LinkedIn (PT)

No	NAME	CATEGORY	DATE OF COMPLETION	APPROVED	DEC	LOCATION
14	Feature article - Low Carbon Agriculture and Agroforestry	News Item & Social Media	March 25, 2023	Yes		<u>To be posted</u>
15	Feature article - Carbon Credits and Carbon Markets for Smallholders	News Item & Social Media	In process	To undergo comms check		
16	Feature article - Traceability & Transparency	News Item & Social Media	In process	To undergo comms check		
17	Feature article - LED-R and Jurisdictional Approach	News Item & Social Media	In process	To undergo comms check		
18	Feature article - Financing Smallholder Action on Climate	News Item & Social Media	In process	To undergo comms check		

8.3. Performance indicator tracking table

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

8.4. Baseline reports

The baseline process is ongoing. A baseline report will be completed by the end of Year 1 (August2023). For more information, please refer to Chapter 6.1.

8.5. Training plan progress tracking

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

8.6. Country snapshot (progress as of March 31, 2023)

Brazil:

- 36 rotational grazing technical projects developed in Pará
- 163 persons (26 women) trained on low-carbon agriculture (LCA) practices including, but not limited to rotational grazing.
- 700 families identified as potential additional beneficiaries for LCA practices in upcoming years of the program
- Visipec continually strengthened

- Ongoing integration of updated cattle transit records and rural environmental registry data, and the Brazilian Ministry of Environment’s priority areas for biodiversity and forest cover into Visipecc, which will allow companies to better see their impact on forests and sensitive areas, and/or potential for impact.
- Continued engagement with companies such as Frigol and Masterboi, focusing on providing guidance and technical assistance on deforestation-free sourcing and the use of Visipecc
- Progress in activities related to establishing the institutional structures to advance jurisdictional REDD+ (J-REDD+) programs in Mato Grosso and Pará:
 - The Government of Mato Grosso decided to sell forest carbon credits under the Architecture for REDD+ Transactions “the REDD+ Environmental Excellence Standard” (ART/TREES) based on an EII options assessment.
 - The government of Mato Grosso also decided to establish a new public-private entity to transact the carbon credits.
 - Work has begun through conversations with NGOs working on Pará’s J-REDD+ program, where the team has identified an important gap: the lack of a program or plan for engaging the farm sector to develop a program for using future j-REDD+ revenues.
- Continued engagement with financial institutions and investor groups, including HSBC, CERES, Santander, Bradesco, Itau, and the Brazilian Federation of Banks (FEBRABAN), among others. This includes discussing Amazonia Connect’s work in supporting meatpackers monitor their supply chain, key opportunities and barriers to achieving this, and how financial institutions can influence and accelerate the availability of financial products offered to ranchers for the adoption of LCA.
- UW published in October 2022 their paper “[Protected areas still used to produce Brazil’s cattle](#)” in the scientific journal *Conservation Letters*, which received press coverage [in Brazil](#) and [the United States](#).

Colombia:

- Baseline data collection completed covering 111 coffee producers and 114 dairy producers
- 98 persons (35 women) attended introductory workshops in coffee intervention areas, and 175 persons (36 women) attended introductory workshops in dairy intervention areas in Caquetá.
- 4 meetings were held with the [BioCarbon Fund](#) to identify synergies between low-emission rural development (LED-R) strategy development for Meta and the Orinoquía Sustainable Integrated Landscape Program (OSILP).
- MoU signed between EII and the Government of Caquetá to concretize their support for LED-R strategy and implementation
- Visiprast continually strengthened:
 - Inclusion of a dynamic map and a transaction module for producers and companies to register their sales and purchases, which is key information to support companies and producers with traceability.
 - Inventory of available data related to biodiversity and deforestation has been generated.
- Continued outreach with companies; currently in the process to develop and sign collaboration agreements with Alkosto and Takami to test Visiprast in their cattle supply chains.
- Mapped beef and dairy supply chain infrastructure nationally, and estimated supply sheds using area-based methods and animal transactions. With this information, the team continues to evaluate which data are most relevant for the functionality of the Visiprast tool and what processing might be needed.
- Drafted a scientific article evaluating how different cattle properties and supply chains impact forests, deforestation, and biodiversity. UW is preparing these findings for publication and presented initial results at the 2023 American Association of Geography conference in March.

Peru:

- Volcafe joined Amazonia Connect and a cooperation agreement was signed. Ofi withdrew from the program due to their own capacity constraints.

- Advancing with preparations to pilot [ACORN](#) with 300 coffee producers in San Martín to help farmers access carbon markets and receive compensation for providing a vital ecosystem service. Ongoing assessments are clarifying the most suitable payment modalities.
- 30 palm oil technicians trained on best practices in Ucayalí
- 229 smallholder palm producers (73 women) directly trained on LCA, and an additional 208 smallholder palm producers were indirectly trained on LCA through a train-the-trainers approach.
- Ongoing collaboration with regional governments in San Martín and Ucayalí to design public investment programs and mobilize competitive funds to promote LCA.
- Evaluated the extent of palm plantations in Alicorp's supply shed relative to property sizes and land use history, and continues to evaluate the best options for initial biodiversity metrics.

8.7. Success story

Melding conservation and agriculture in Caquetá (4,472 characters)

Published on June 26, 2023: <https://www.solidaridadnetwork.org/story/meet-jeremias-coffee-colombia/>

[<Find all included images in full size here>](#)

Amazonia Connect is a novel approach to low-emission commodity production and biodiversity conservation in Brazil, Colombia and Peru. The initiative unites the experience and innovative work of organizations and local actors to create an enabling environment where production and conservation go hand-in-hand. In Colombia, Program partners made important progress laying the foundation for the initiative.



When he was young, Jeremías Gomez Repero’s father cultivated coffee until a deadly fungus – coffee leaf rust – decimated his small farm. From that time, his father did what he could to support his family, whether farming coca, making charcoal or harvesting timber, sometimes illegally. A government program eventually offered the family help that never came and Jeremías, by then an adult with children of his own, looked at his family’s land in the department of Caquetá and decided to take up coffee again.

“My son [Dario] and I had gone to work harvesting coffee in another part of the country, and while there, I remembered that coffee had been grown on my farm, so I asked for some seeds and returned home to plant them,” Jeremías says. “Now we live off of this.”



It's a similar story among many small-scale farmers across the Amazon Basin: people with few options looking for a way to support themselves and their families. Jeremias is one of 225 coffee and dairy farmers in Caqueta who have joined Amazonia Connect, a 5-year activity from USAID, Solidaridad Network, Earth Innovation Institute, the National Wildlife Federation, and the University of Wisconsin - Madison that melds sustainable commodity production with conservation.

The Amazon Basin is a critical ecosystem, not just for the nine countries within its influence, but for the entire planet. The Amazon absorbs 3% of the world's emissions, but it's currently in a dire straits as increasing pressure for farmland and natural resources threatens this unique ecosystem.

Amazonia Connect aims to build on the connections between organizations, between the public and private sector and among farmers, to find a balance in business and in our relationship with nature. This means:

- Keeping carbon in the soil, trees where they are.
- Collaborating with partners and committing to conservation.
- Doing more with less and being more productive.
- All while ensuring a decent livelihood for farmers.

Over the course of its first year, Amazonia Connect partners have embarked on the process of building links between individual efforts. By working together across the region, the initiative will drive scale and impact that ultimately reduces carbon emissions, reduces or eliminates deforestation, and improves productivity and livelihoods.

Solidaridad Network has worked to set baselines in the communities where they will work. In Colombia, baseline data covering 114 livestock producers and 111 coffee farmers, like Jeremias, has provided valuable insights on the current state and needs of small-scale farmers.

“With Amazonia Connect, we hope to learn more about farming coffee, especially the diseases and how to control them. I dream of having a hectare of well-cultivated coffee that supports our livelihoods without having to work elsewhere,” said Jeremias.

At the jurisdictional level, **the Earth Innovation Institute** is accompanying and advising the government of Caquetá in Colombia to build alliances for conservation. This will result in the further development and implementation of a Low Emission Rural Development Strategy (LED-R) that helps set the direction for the entire region.

All of the work, from the producer level to the jurisdictional, is supported by robust and relevant data that can inform decision-making and program monitoring. Amazonia Connect partners, **UW-Madison** and **National Wildlife Federation**, in partnership with Ecosocial, are creating an inventory of data for Colombia covering biodiversity, species habitat, deforestation, carbon and supply chain infrastructure. This data will improve monitoring and traceability tools, like VISIPRAST, that help producers, companies and governments understand the environmental and social impacts of production.

By building on the connection and overlap of work streams at every level, Amazonia Connect will continue to grow, incentivizing integration of low-carbon practices, stimulating growth in sustainable sourcing, and setting the stage for a regional approach to low-emissions development.

